

**CHIN POON INDUSTRIAL CO., LTD.
AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS

**With Independent Auditors' Review Report
For the six months ended June 30, 2026 and 2025**

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

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Independent Auditors' Review Report

To the Board of Directors Chin-Poon Industrial Co., Ltd.:

Foreword

We have reviewed the accompanying consolidated balance sheets of Chin-Poon Industrial Co., Ltd. and its subsidiaries as of June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the nine months ended June 30, 2026 and 2025, as well as changes in equity and cash flows for the nine months ended June 30, 2026 and 2025, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects the consolidated financial position of Chin-Poon Industrial Co., Ltd. and its subsidiaries as of June 30, 2026 and 2025 and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

KPMG

Taipei, Taiwan (Republic of China)

August 12, 2026

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
CHIN POON INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Financial Position
June 30, 2026, December 31 and June 30, 2025
(All amounts expressed in thousands of New Taiwan dollars)

		2026.6.30		2025.12.31		2025.6.30				2026.6.30		2025.12.31		2025.6.30	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
11XX	Assets														
	Current assets:							21XX	Current liabilities:						
1100	Cash and cash equivalents (note 6(a))	\$ 3,284,288	13	2,534,998	11	2,510,207	11	2100	Short-term loans (notes 6(j), 8 and 9)	\$ 828,880	3	722,706	3	641,102	3
1110	Financial assets at fair value through profit and loss — current (note 6(b))	1,164,708	5	1,455,337	6	2,146,935	10	2150	Notes payable	-	-	374,526	1	396,839	2
1150	Notes receivable, net (notes 6(e) and (q))	-	-	3,408	-	8,362	-	2170	Accounts payable	2,944,354	11	2,102,763	9	1,774,375	8
1170	Accounts receivable, net (notes 6(e) and (q))	3,766,102	15	3,432,599	14	3,206,550	14	2216	Dividends payable (note 6(o))	397,495	2	-	-	735,366	3
1200	Other receivables (note 6(f))	123,833	-	94,524	-	74,542	-	2219	Other payables (note 6(r))	1,299,906	5	1,310,366	6	1,089,629	5
1220	Current income tax assets	115,512	-	114,677	1	76,340	-	2230	Current tax liabilities	158,665	1	36,068	-	152,619	1
130X	Inventories (note 6(g) and 9)	3,871,995	15	3,483,474	15	3,167,056	14	2280	Current lease liabilities (note 6(l))	36,647	-	37,121	-	36,726	-
1410	Prepayments	125,370	-	96,914	-	72,178	-								
1476	Other financial assets — current (note 6(d))	2,229,578	9	1,917,199	8	1,433,529	6	2322	Current portion of long-term loans payable (note 6(k))	6,642	-	-	-	-	-
1479	Other current assets	175,827	1	105,186	-	101,313	1	2399	Other current liabilities (note 6(q))	1,023,084	4	1,037,013	4	993,693	4
	Total current assets	<u>14,857,213</u>	<u>58</u>	<u>13,238,316</u>	<u>55</u>	<u>12,797,012</u>	<u>56</u>	21XX	Total current liabilities	<u>6,695,673</u>	<u>26</u>	<u>5,620,563</u>	<u>23</u>	<u>5,820,349</u>	<u>26</u>
15XX	Non-current assets:							25XX	Non-Current liabilities:						
1536	Non-current financial assets at amortized cost (note 6(c))	912,480	3	897,603	4	830,838	4	2540	Long term loans (note 6(k))	312,158	2	314,220	1	291,410	1
1600	Property, plant and equipment (notes 6(h), 7, 8 and 9)	6,278,192	25	6,100,122	25	5,770,284	25	2570	Deferred tax liabilities	810,243	3	809,764	4	703,993	3
1755	Right-of-use assets (note 6(i))	168,385	1	145,927	1	154,848	1	2580	Non-current lease liabilities (note 6(l))	92,021	-	71,501	-	85,635	1
1840	Deferred tax assets	238,069	1	238,956	1	249,914	1	2630	Long-term deferred revenue	23,985	-	25,092	-	24,603	-
1915	Prepayments for equipment	22,936	-	441	-	1,816	-	2640	Net defined benefit liability — non-current	52,996	-	54,853	-	36,864	-
1975	Net defined benefit asset — non-current	245,648	1	239,646	1	127,529	1	2XXX	Total non-current liabilities	<u>1,291,403</u>	<u>5</u>	<u>1,275,430</u>	<u>5</u>	<u>1,142,505</u>	<u>5</u>
1980	Other financial assets — non-current (note 4(d))	2,786,819	11	3,305,512	13	2,822,126	12	31XX	Total liabilities	<u>7,987,076</u>	<u>31</u>	<u>6,895,993</u>	<u>28</u>	<u>6,962,854</u>	<u>31</u>
	Total non-current assets	<u>10,652,529</u>	<u>42</u>	<u>10,928,207</u>	<u>45</u>	<u>9,957,355</u>	<u>44</u>		Equity attributable to shareholders of the parent (note 6(o)):						
								3110	Common stock	3,974,954	16	3,974,954	16	3,974,954	17
								3200	Capital surplus	1,580,768	6	1,580,768	7	1,580,591	7
								3300	Retained earnings:						
								3310	Legal reserve	2,748,285	11	2,677,640	11	2,677,640	12
								3350	Unappropriated earnings	8,888,104	35	8,929,794	37	8,529,151	37
										<u>11,636,389</u>	<u>46</u>	<u>11,607,434</u>	<u>48</u>	<u>11,206,791</u>	<u>49</u>
								3400	Other equity:						
								3410	Foreign currency translation differences for foreign operations	336,225	1	106,611	1	(971,301)	(4)
								3500	Treasury shares	(6,333)	-	-	-	-	-
								31XX	Total equity attributable to shareholders of the Company	17,522,003	69	17,269,767	72	15,791,035	69
								36XX	Non-controlling interests	663	-	763	-	478	-
								3XXX	Total equity	<u>17,522,666</u>	<u>69</u>	<u>17,270,530</u>	<u>72</u>	<u>15,791,513</u>	<u>69</u>
1XXX	Total assets	<u>\$ 25,509,742</u>	<u>100</u>	<u>24,166,523</u>	<u>100</u>	<u>22,754,367</u>	<u>100</u>	2-3XXX	Total liabilities and equity	<u>\$ 25,509,742</u>	<u>100</u>	<u>24,166,523</u>	<u>100</u>	<u>22,754,367</u>	<u>100</u>

See accompanying notes to the consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

CHIN POON INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months and the six months ended June 30, 2026 and 2025

(All amounts expressed in thousands of New Taiwan dollars)

		For the Three Months Ended June 30				For the Six Months Ended June 30,			
		2026		2025		2026		2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (note 6(q))	\$ 4,241,276	100	4,090,809	100	8,297,117	100	7,931,259	100
5000	Operating costs (notes 6(g), (m), (r) and 7)	3,724,560	88	3,647,394	89	7,290,264	88	7,004,790	88
5900	Gross profit	516,716	12	443,415	11	1,006,853	12	926,469	12
6000	Operating expenses (notes 6(e), (m), (r) and 7):								
6100	Selling expenses	133,834	3	109,554	3	258,240	4	217,400	3
6200	Administrative expenses	129,295	3	133,498	3	255,909	3	259,926	3
6300	Research and development expenses	80,472	2	79,048	2	156,135	2	165,382	2
6450	Expected credit losses (reversal of expected credit losses)	(13,781)	-	(28,832)	(1)	(44,928)	(1)	1,918	-
	Total operating expenses	329,820	8	293,268	7	625,356	8	644,626	8
6900	Operating income	186,896	4	150,147	4	381,497	4	281,843	4
7000	Non-operating income and expenses (notes 6 (l) and(s)):								
7100	Interest income	49,477	1	49,696	1	97,230	1	98,716	1
7010	Other income	83,732	2	65,544	2	165,945	2	120,796	1
7020	Other gains and losses	(22,514)	(1)	(130,346)	(3)	(16,528)	-	(64,568)	(1)
7050	Finance costs	(11,917)	-	(13,040)	(1)	(23,354)	-	(27,614)	-
	Total non-operating income and expenses	98,778	2	(28,146)	(1)	223,293	3	127,330	1
7900	Income before income tax	285,674	6	122,001	3	604,790	7	409,173	5
7950	Less: Income tax expenses (note 6(n))	105,927	2	24,525	1	178,326	2	103,385	1
	Net income	179,747	4	97,476	2	426,464	5	305,788	4
8300	Other comprehensive income (loss) :								
8360	Items that may be reclassified subsequently to profit or loss								
8361	Foreign currency translation differences for foreign operations	31,985	1	(1,221,951)	(30)	229,500	3	(1,010,922)	(13)
8399	Less: income tax related to items that will be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	31,985	1	(1,221,951)	(30)	229,500	3	(1,010,922)	(13)
8300	Other comprehensive income (loss) :	31,985	1	(1,221,951)	(30)	229,500	3	(1,010,922)	(13)
8500	Total comprehensive income	\$ 211,732	5	(1,124,475)	(28)	655,964	8	(705,134)	(9)
8600	Net income (loss) attributable to:								
8610	Shareholders of the Company	\$ 179,730	4	97,494	2	426,450	5	305,814	4
8620	Non-controlling interests	17	-	(18)	-	14	-	(26)	-
		\$ 179,747	4	97,476	2	426,464	5	305,788	4
8700	Total comprehensive income attributable to:								
8710	Shareholders of the Company	\$ 211,763	5	(1,124,214)	(28)	656,064	8	(704,926)	(9)
8720	Non-controlling interests	(31)	-	(261)	-	(100)	-	(208)	-
		\$ 211,732	5	(1,124,475)	(28)	655,964	8	(705,134)	(9)
	Earnings per share(expressed in New Taiwan dollars) (note 6(p))								
9750	Basic earnings per share	\$ 0.45		0.25		1.07		0.77	
9850	Diluted earnings per share	\$ 0.45		0.24		1.07		0.77	

See accompanying notes to the consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
CHIN POON INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the six months ended June 30, 2026 and 2025
(All amounts expressed in thousands of New Taiwan dollars)

	Equity attributable to shareholders of the Company										Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings			Subtotal	Other equity Foreign currency translation differences for foreign operations	Treasury shares	Total equity attributable to shareholders of the Company			
			Legal reserve	Special reserve	Unappropriated earnings							
Balance at January 1, 2025	\$ 3,974,954	1,580,591	2,563,709	447,333	8,625,301	11,636,343	39,439	-	17,231,327	686	17,232,013	
Appropriation and distribution:												
Legal reserve	-	-	113,931	-	(113,931)	-	-	-	-	-	-	
Special reserve	-	-	-	(447,333)	447,333	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(735,366)	(735,366)	-	-	(735,366)	-	(735,366)	
Net income (loss) for the year	-	-	-	-	305,814	305,814	-	-	305,814	26	305,788	
Other comprehensive income for the year	-	-	-	-	-	-	1,010,740	-	1,010,740	(182)	1,010,922	
Total comprehensive income (loss) for the year	-	-	-	-	305,814	305,814	1,010,740	-	704,926	(208)	705,134	
Balance at June 30, 2025	\$ 3,974,954	1,580,591	2,677,640	-	8,529,151	11,206,791	- 971,301	-	15,791,035	478	15,791,513	
Balance at January 1, 2026	\$ 3,974,954	1,580,768	2,677,640	-	8,929,794	11,607,434	106,611	-	17,269,767	763	17,270,530	
Appropriation and distribution:												
Legal reserve	-	-	70,645	-	(70,645)	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(397,495)	(397,495)	-	-	(397,495)	-	(397,495)	
Net income (loss) for the year	-	-	-	-	426,450	426,450	-	-	426,450	14	426,464	
Other comprehensive income (loss) for the year	-	-	-	-	-	-	229,614	-	229,614	(114)	229,500	
Total comprehensive income (loss) for the year	-	-	-	-	426,450	426,450	229,614	-	656,064	(100)	655,964	
Purchase of treasury share	-	-	-	-	-	-	-	(6,333)	(6,333)	-	(6,333)	
Balance at June 30, 2026	\$ 3,974,954	1,580,768	2,748,285	-	8,888,104	11,636,389	336,225	(6,333)	17,522,003	663	17,522,666	

See accompanying notes to the consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

CHIN POON INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the six months ended June 30, 2026 and 2025

(All amounts expressed in thousands of New Taiwan dollars)

	For the Six Months Ended June 30,	
	2026	2025
Cash flows from operating activities:		
Income before tax	\$ 604,790	409,173
Adjustments:		
Adjustments to reconcile profit and loss		
Depreciation expenses	409,746	402,095
Expected credit losses (reversal of expected credit losses)	(44,928)	1,918
Net gains on financial assets at fair value through profit or loss	(9,371)	(16,764)
Interest expense	23,354	27,614
Interest income	(97,230)	(98,716)
Losses on disposal of property, plant and equipment	2,927	6,840
Unrealized losses (gains) on foreign exchange	(84,061)	135,024
Gains on lease modification	(196)	(579)
Total adjustments to reconcile profit and loss	200,241	457,432
Changes in operating assets and liabilities :		
Net changes in operating assets:		
Notes receivable	3,489	(1,372)
Accounts receivable	(198,043)	45,621
Other receivables	(27,917)	25,767
Inventories	(347,239)	(141,136)
Prepayments	(27,735)	15,705
Other current assets	(67,694)	(8,705)
Net defined benefit asset	(6,002)	(6,292)
Total net changes in operating assets	(671,141)	(70,412)
Net changes in operating liabilities:		
Notes payable	(374,526)	(5,185)
Accounts payable	785,380	155,419
Other payable	(8,698)	(9,491)
Other current liabilities	(35,246)	3,219
Net defined benefit liability	288	1,006
Total net changes in operating liabilities	367,198	144,968
Total net changes in operating assets and liabilities	(303,943)	74,556
Total adjustments	(103,702)	531,988
Cash inflow generated from operations	501,088	941,161
Interest received	58,425	104,716
Interest paid	(23,454)	(28,904)
Income tax refunded (paid)	(54,154)	40,673
Net cash flows from operating activities	481,905	1,057,646
Cash flows from (used in) investing activities		
Acquisition of financial assets at amortized cost	-	(284,312)
Acquisition of financial assets at fair value through profit or loss	-	(350,000)
Proceeds from disposal of financial assets at fair value through profit or loss	300,000	738,975
Acquisition of property, plant and equipment	(505,206)	(486,315)
Proceeds from disposal of property, plant and equipment	1,873	2,300
Decrease (increase) in other financial assets—current and non-current	394,505	(714,977)
Increase in prepayments for equipment	(70,416)	(3,855)
Net cash flows from investing activities	120,756	(1,098,184)
Cash flows from (used in) financing activities:		
Increase in short-term loans	3,198,057	2,246,979
Decrease in short-term loans	(3,096,144)	(2,371,908)
Payment of lease liabilities	(18,109)	(24,981)
Payments to acquire treasury shares	(6,333)	-
Decrease in long-term deferred revenue	(2,142)	(2,040)
Net cash flows from financing activities	75,329	(151,950)
Effect of exchange rate changes on cash and cash equivalents	71,300	(261,659)
Net increase (decrease) in cash and cash equivalents	749,290	(454,147)
Cash and cash equivalents at beginning of period	2,534,998	2,964,354
Cash and cash equivalents at end of period	\$ 3,284,288	2,510,207

See accompanying notes to the consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

CHIN POON INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

For the six months ended June 30, 2026 and 2025

(All amounts expressed in thousands of New Taiwan dollars, unless otherwise stated)

(1) Company history

CHIN POON INDUSTRIAL CO., LTD. ("the Company") was incorporated in the Republic of China (ROC) on September 26, 1979 in accordance with the Company Act of Republic of China. The consolidated entities in the consolidated financial statements include the Company and its subsidiaries (collectively referred to as "the Group"). The Group is mainly engaged in the Manufacturing, producing and selling electronic printed circuit boards.

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

These consolidated financial statements were authorized for issue by the Board of Directors on August 12, 2026.

(3) Application of new and revised standards, amendments and interpretations:

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

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2026:

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

- (b) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2027, would not have a significant impact on its consolidated financial statements .

- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

The Group expects to adopt the following new and amended IFRS Accounting Standards endorsed by the FSC, starting from January 1, 2028:

1. IFRS 18 "Presentation and Disclosure in Financial Statements"

The new standard introduces three categories of income and expenses, two profit or loss subtotals, and a single note on management performance measures (MPMs). The following three amendments and enhancements to the guidance on how to disaggregate information in the financial statements lay the foundation for providing users with better and more consistent information, and will impact all companies:

- **A more structured income statements:** Under current standards, companies use various formats to present their operating results, making it difficult for investors to compare financial performance across companies. The new standard adopts a more structured income statements, introduces a newly defined subtotal of "operating profit or loss", and requires all income and expenses to be classified into three distinct new categories based on the company's main business activities.
- **Management performance measures (MPMs):** The new standard introduces the definition of management performance measures and requires companies to explain, in a single note to the financial statements, why each measure provides useful information, how it is calculated, and how the measure is reconciled with amounts recognized in accordance with IFRS Accounting Standards.
- **More disaggregated information:** The new standard includes guidance on how companies should enhance the grouping of information in financial statements. This includes guidance on whether information should be included in the primary financial statements or further disaggregated in the notes.

IAS 7 "Statement of Cash Flows" has been amended in conjunction with the new standard and requires that, when applying the indirect method to report cash flows from operating activities, companies shall use the newly defined subtotal of "operating profit or loss" as the starting point. Due to this new starting point, some adjustment items included in the reconciliation will change. In addition, the consequential amendments provide specific guidance on the classification of cash receipts and payments for interest and dividends.

The Group is continuously evaluating the material impact of the initial adoption of the standard on the consolidated financial statements.

2. Amendment to IAS 28 "Fair Value Option for Investments in Associates and Joint Ventures"

The Group assesses that the adoption of this newly amended standard will not have a material impact on the consolidated financial statements.

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

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

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 20, "Regulatory Assets and Regulatory Liabilities"

(4) Summary of material accounting policies

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2025. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2025.

For the convenience of readers, the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the R.O.C. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language consolidated financial statements shall prevail.

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS Accounting Standards endorsed by the FSC) for a complete set of the annual consolidated financial statements.

(b) Basis of Consolidation

Principles of preparation of the consolidated financial statements are the same as those of the consolidated financial statements for the year ended December 31, 2025. For the related information, please refer to note 4(c) of the consolidated financial statements for the year ended December 31, 2025.

(i) List of subsidiaries in the consolidated financial statements

Name of investor	Name of subsidiary	Business activities	Percentage of ownership			Note
			2026.6.30	2025.12.31	2025.6.30	
The Company	VEGA International Enterprise Co., Ltd. (VEGA)	Investment	100.00%	100.00%	100.00%	
The Company	Chin Poon Electronics (Thailand) Public Co., Ltd. (CPCD)	Production and trading of PCB	99.89%	99.89%	99.89%	Note 1
VEGA International Enterprise Co., Ltd.	Chin-Poon Holdings Cayman Limited (CPCH)	Investment	100.00%	100.00%	100.00%	
Chin-Poon Holdings Cayman Limited	Chin-Poon (Changshu) Electronics Co., Ltd (CPCS)	Production and trading of PCB	100.00%	100.00%	100.00%	Note 2
Chin-Poon (Changshu) Electronic Co., Ltd	Suzhou Haokang Import & Export Co., Ltd.(CPCK)	General Merchandise Import and Export	100.00%	100.00%	-%	Note 3

Note 1: The Company resolved through its Board of Directors on May 12, 2026, to participate in the cash capital increase of CPCD, with a subscription amount of THB 600,000 thousand for 465,116 thousand shares. The remittance was completed on July 16, 2026. However, as of the balance sheet date, CPCD Co., Ltd. (Thailand) has not yet completed the relevant statutory registration procedures for the cash capital increase.

Note 2: CPCS resolved through its Board of Directors on May 12, 2026, to increase its capital by using its earnings amounting to USD 35,000 thousand (RMB 240,128 thousand). This was approved by the Department of Investment Review of the Ministry of Economic Affairs on July 9, 2026, and the statutory registration procedures were completed on July 16, 2026. After the capital increase, the paid-in capital was US\$155,000,000.

Note3 :In October 2025, CPCS invested RMB 6,000 thousand to establish CPCK.

(ii) Subsidiaries excluded from the consolidated financial statements: None.

(c) Treasury Shares

When repurchasing the Company's own equity instruments, the consideration paid (including directly attributable costs) is recognized as a deduction from equity. Repurchased shares are classified as treasury shares. Subsequent sale or re-issuance of treasury shares results in an increase in equity, and any surplus or deficit arising from the transaction is recognized in capital surplus or retained earnings (if capital surplus is insufficient).

(d) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year and also adjusted for significant market fluctuations, significant reductions, reimbursement or other significant one-time events after the reporting date.

(e) Income taxes

Income tax expense is measured by multiplying the pre-tax profit for the interim reporting period by management's best estimate of annual effective tax rate and is fully recognized as current income tax expense.

The impact of changes in the statutory income tax rate during the interim period on deferred income tax is recognized entirely in the interim reporting period of the tax rate change.

Income tax expense that is directly recognized in equity items or other comprehensive income items is measured and based on the temporary differences between the carrying amounts of the related assets and liabilities for financial reporting purposes and their tax bases which use the tax rates expected to apply when the asset is realized or the liability is settled.

(5) Significant accounting judgments, estimations, and assumptions, as well as information about the assumptions it makes and other major sources of estimation uncertainty

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

The major sources of uncertainty in the significant judgments and estimates made by management in applying the accounting policies of the Group in preparing the consolidated financial statements are consistent with those disclosed in Note 5 to the consolidated financial statements for fiscal year ended December 31, 2025.

(6) Explanation of significant accounts

Except as stated below, there is no significant difference between the description of important accounting titles in these consolidated financial statements and the 2025 consolidated financial statements. Please refer to Note 6 to the 2025 consolidated financial statements for relevant information.

(a) Cash and cash equivalents

	<u>2026.6.30</u>	<u>2025.12.31</u>	<u>2025.6.30</u>
Cash on hand	\$ 1,630	1,639	1,625
Demand deposits	2,209,760	1,630,705	1,643,198
Checking deposits	79,690	15,459	742,864
Time deposits	<u>993,208</u>	<u>887,195</u>	<u>122,520</u>
Cash and cash equivalents per consolidated statements of cash flows	<u>\$ 3,284,288</u>	<u>2,534,998</u>	<u>2,510,207</u>

Bank time deposits with original maturity dates of three months or less are intended to fulfill short-term cash commitments rather than for investment or other purposes. They can be converted into fixed amounts of cash at any time and are subject to very little risk of value fluctuations. Therefore, they are reported as cash and cash equivalents. Bank time deposits with original maturities of more than three months but less than one year and those with maturities of more than one year are reported under other financial assets under current and non-current items, respectively, as detailed in Note 6 (d).

Please refer to note 6(t) for details regarding the disclosure of interest rate risk and sensitivity analysis of the Group's financial assets and liabilities.

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

	<u>2026.6.30</u>	<u>2025.12.31</u>	<u>2025.6.30</u>
Mandatorily measured at fair value through profit or loss:			
Non derivative financial assets			
Current:			
Beneficiary certificate	\$ <u>1,164,708</u>	<u>1,455,337</u>	<u>2,146,935</u>

Please refer to note 6(s) for net gains or losses from financial assets measured at fair value through profit or loss.

As of June 30, 2026, December 31 and June 30, 2025, the Group did not pledge its financial assets measured at fair value through profit or loss as collateral.

(c) Financial assets at amortized cost

	<u>2026.6.30</u>	<u>2025.12.31</u>	<u>2025.6.30</u>
Foreign government bonds	\$ <u>912,480</u>	<u>897,603</u>	<u>830,838</u>

The Group has assessed that these financial assets are held-to-maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

As of June 30, 2026, December 31 and June 30, 2025, the Group did not pledge its financial assets at amortized cost as collateral.

(d) Other financial assets

	<u>2026.6.30</u>	<u>2025.12.31</u>	<u>2025.6.30</u>
Current:			
Bank's time deposit	\$ 2,229,578	1,917,199	1,433,529
Non current:			
Bank's time deposit	2,774,916	3,293,698	2,806,213
Refundable deposits	<u>11,903</u>	<u>11,814</u>	<u>15,913</u>
Subtotal	<u>2,786,819</u>	<u>3,305,512</u>	<u>2,822,126</u>
Total	<u>\$ 5,016,397</u>	<u>5,222,711</u>	<u>4,255,655</u>

As of June 30, 2026, December 31 and June 30, 2025, the Group did not pledge its other financial assets as collateral.

(e) Notes receivable and accounts receivable

	2026.6.30	2025.12.31	2025.6.30
Notes receivable	\$ 0	3,408	8,362
Accounts receivable	3,974,550	3,684,075	3,404,426
Less: loss allowance	208,448	251,476	197,876
	<u>\$ 3,766,102</u>	<u>3,436,007</u>	<u>3,214,912</u>

Except for the account receivable of \$130,937 thousand, \$129,056 thousand and \$119,688 thousand from Gigaset Communications GmbH, Germany as of June 30, 2026, December 31, 2025, and June 30 2025, that had been individually assessed, the Group applies the simplified approach, which assesses expected credit loss provision for notes and accounts receivable based on lifetime expected credit loss, of IFRS 9 to provide for its expected credit losses. To measure the expected credit losses, notes and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information on macroeconomics and related industrial trends.

The Group's analysis of the expected credit loss on its notes and accounts receivable in the regions of Taiwan were as follows:

	2026.6.30		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 2,675,572	0.0787%	2,107
Past due 1~30 days	107,131	2.4284%	2,601
Past due 31~60 days	17,212	8.7546%	1,507
Past due 61~90 days	7,715	24.7779%	1,912
Past due 91~120 days	2,442	44.7054%	1,092
Past due 121 to 180 days	667	57.0573%	380
Past due over 181 days	4,652	100.0000%	4,652
	<u>\$ 2,815,391</u>		<u>14,251</u>
	2025.12.31		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 2,315,861	0.1071%	2,479
Past due 1~30 days	164,328	3.0485%	5,010
Past due 31~60 days	7,484	9.7384%	729
Past due 61~90 days	5,985	26.6899%	1,597
Past due 91~120 days	228	39.1027%	89
Past due 121 to 180 days	8,047	50.1495%	4,036
Past due over 181 days	11,866	100.0000%	11,866
	<u>\$ 2,513,799</u>		<u>25,806</u>
	2025.6.30		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 2,151,700	0.1031%	2,217
Past due 1~30 days	69,082	2.7285%	1,885
Past due 31~60 days	5,699	7.1714%	409
Past due 61~90 days	2,210	22.9357%	507
Past due 91~120 days	435	30.5416%	133
Past due 121 to 180 days	603	41.5957%	251
Past due over 181 days	11,634	100.0000%	11,634
	<u>\$ 2,241,363</u>		<u>17,036</u>

The Group's analysis of the expected credit loss on its notes and accounts receivable in the regions of China were as follows:

2026.6.30			
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 445,455	3.4380%	15,315
Past due 1~30 days	3,733	36.3065%	1,355
Past due 31~60 days	3,034	50.0773%	1,519
Past due 61~90 days	2,481	69.3762%	1,721
Past due 91~120 days	624	85.7143%	535
Past due 121 to 180 days	2,195	95.0855%	2,087
Past due over 181 days	21,782	100.0000%	21,782
	\$ 479,304		44,314
2025.12.31			
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 441,144	2.7075%	11,939
Past due 1~30 days	39,818	36.2463%	14,434
Past due 31~60 days	6,601	49.9081%	3,296
Past due 61~90 days	5,194	64.5795%	3,355
Past due 91~120 days	3,651	75.7405%	2,761
Past due 121 to 180 days	10,122	83.7366%	8,476
Past due over 181 days	33,388	100.0000%	33,388
	\$ 539,918		77,649
2025.6.30			
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 510,147	1.2390%	10,358
Past due 1~30 days	10,765	17.5860%	1,893
Past due 31~60 days	5,531	31.7985%	1,758
Past due 61~90 days	2,829	44.7961%	1,266
Past due 91~120 days	3,329	51.1539%	1,701
Past due 121 to 180 days	14,351	60.6837%	8,710
Past due over 181 days	17,977	100.0000%	17,977
	\$ 564,929		43,663

The Group's analysis of the expected credit loss on its notes and accounts receivable in the other regions were as follows:

2026.6.30			
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 529,968	0.0800%	424
Past due 1~30 days	288	0.6944%	2
Past due 61~90 days	143	1.4568%	2
Past due 121 to 180 days	1	-	-
Past due over 181 days	18,518	100.0000%	18,518
	\$ 548,918		18,946

	2025.12.31		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 468,655	0.0821%	385
Past due 1~30 days	16,198	0.7408%	120
Past due 31~60 days	1,413	1.1323%	16
Past due over 181 days	18,444	100.0000%	18,444
	\$ 504,710		18,965
	2025.6.30		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 467,771	0.0874%	409
Past due 1~30 days	594	0.8418%	5
Past due 31~60 days	1,147	1.2206%	14
Past due 121 to 180 days	313	24.9201%	78
Past due over 181 days	16,983	100.0000%	16,983
	\$ 486,808		17,489

The change in the loss allowance for impairment with respect to notes and accounts receivable was as follows:

	For the Six Months Ended June 30,	
	2026	2025
Balance at beginning of the period	\$ 251,476	201,094
Impairment loss (reversal gain)	(44,928)	1,918
Translation effect	1,900	(5,136)
Balance at end of the period	\$ 208,448	197,876

As of June 30, 2026, December 31 and June 30, 2025, the Group had not provided its notes and accounts receivable as collateral or factored them for cash.

(f) Other receivables

	2026.6.30	2025.12.31	2025.6.30
Other receivables	\$ 123,833	94,524	74,542
Less: loss allowance	-	-	-
	\$ 123,833	94,524	74,542

As of June 30, 2026, December 31 and June 30, 2025, the Group had no other receivables that were past due. Therefore, no provisions for doubtful debt was required after the management's assessment.

(g) Inventories

	2026.6.30	2025.12.31	2025.6.30
Finished goods	\$ 1,692,156	1,734,681	1,575,937
Work in progress	1,223,678	1,097,119	963,583
Raw materials	956,161	651,674	627,536
	\$ 3,871,995	3,483,474	3,167,056

The details of the Cost of goods sold were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Inventory that has been sold	3,952,933	3,746,883	7,666,924	7,195,316
Write-down of inventories (Reversal of write-downs)	(34,441)	8,166	(29,363)	(2,964)
Income from sale of scrap	(254,063)	(172,631)	(477,629)	(343,499)
Unallocated production overhead	60,131	64,976	130,332	155,937
Total	3,724,560	3,647,394	7,290,264	7,004,790

The reversal in inventory write-downs of the Group is due to the recovery in the prices of some inventory that was written down at the beginning of the period or that has already been shipped. The factor that the net realizable value of inventory was lower than the cost has disappeared, resulting in the reversal of inventory write-down losses.

As of June 30, 2026, December 31 and June 30, 2025, the Group did not pledge its inventories as collateral.

(h) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group for the six months ended June 30, 2026 and 2025 were as follows:

		Land	Buildings	Machinery equipment	Other equipment	Leasehold improvement	Construction in progress and Equipment to be inspected	Total
Cost:								
Balance at January 1, 2026	\$	988,255	4,091,064	11,654,262	3,296,903	21,031	736,861	20,788,376
Additions		-	215	11,678	11,460	-	475,206	498,559
Disposals		-	-	(203,923)	(25,384)	-	-	(229,307)
Reclassification		-	99,029	280,139	117,462	-	(448,932)	47,698
Translation effect		(8,752)	60,731	125,628	49,513	-	(13,078)	214,042
Balance at June 30, 2026	\$	<u>979,503</u>	<u>4,251,039</u>	<u>11,867,784</u>	<u>3,449,954</u>	<u>21,031</u>	<u>750,057</u>	<u>21,319,368</u>
Balance at January 1, 2025	\$	979,234	3,936,217	11,585,326	3,161,365	48,166	484,524	20,194,832
Additions		-	3,088	22,895	10,789	-	452,990	489,762
Disposals		-	(320)	(197,404)	(21,737)	(25,775)	-	(245,236)
Reclassification		-	980	61,548	11,824	(1,360)	(68,949)	4,043
Translation effect		(13,948)	(188,955)	(437,574)	(136,453)	-	(20,066)	(796,996)
Balance at June 30, 2025	\$	<u>965,286</u>	<u>3,751,010</u>	<u>11,034,791</u>	<u>3,025,788</u>	<u>21,031</u>	<u>848,499</u>	<u>19,646,405</u>
Accumulated depreciation and impairment loss:								
Balance at January 1, 2026	\$	-	1,956,320	9,945,968	2,772,580	13,386	-	14,688,254
Depreciation		-	70,389	258,073	63,018	393	-	391,873
Disposal		-	-	(199,458)	(25,049)	-	-	(224,507)
Translation effect		-	36,347	104,049	45,160	-	-	185,556
Balance at June 30, 2026	\$	<u>-</u>	<u>2,063,056</u>	<u>10,108,632</u>	<u>2,855,709</u>	<u>13,779</u>	<u>-</u>	<u>15,041,176</u>
Balance at January 1, 2025	\$	-	1,887,135	9,685,299	2,689,359	38,821	-	14,300,614
Depreciation		-	63,354	258,729	54,380	958	-	377,421
Disposal		-	(320)	(189,971)	(20,366)	(25,439)	-	(236,096)
Reclassification		-	-	1,346	-	(1,346)	-	-
Translation effect		-	(111,840)	(339,305)	(114,673)	-	-	(565,818)
Balance at June 30, 2025	\$	<u>-</u>	<u>1,838,329</u>	<u>9,416,098</u>	<u>2,608,700</u>	<u>12,994</u>	<u>-</u>	<u>13,876,121</u>
Carrying amount:								
Balance at January 1, 2026	\$	<u>988,255</u>	<u>2,134,744</u>	<u>1,708,294</u>	<u>524,323</u>	<u>7,645</u>	<u>736,861</u>	<u>6,100,122</u>
Balance at June 30, 2026	\$	<u>979,503</u>	<u>2,187,983</u>	<u>1,759,152</u>	<u>594,245</u>	<u>7,252</u>	<u>750,057</u>	<u>6,278,192</u>
Balance at June 30, 2025	\$	<u>965,286</u>	<u>1,912,681</u>	<u>1,618,693</u>	<u>417,088</u>	<u>8,037</u>	<u>848,499</u>	<u>5,770,284</u>

(i) Loss and gain on disposal

For the three months and the six months ended June 30, 2026 and 2025, the Group recognized loss and gain on disposal of property, plant and equipment, please refer to note 6(s).

(ii) Impairment loss

The change in accumulated impairment loss of the Group's property, plant and equipment were as follows:

	For the six months ended June 30,	
	2026	2025
Balance at beginning of the period	\$ 11,213	12,221
Disposals during the period	(1,560)	(843)
Translation effect	(395)	(742)
Balance at end of the period	<u>\$ 9,258</u>	<u>10,636</u>

As of June 30, 2026, December 31 and June 30, 2025, the Group pledged its property, plant and equipment as collateral for short term loans, please refer to note 8.

(i) Right of use assets

The Group leases its assets including its use right of land and buildings. Information about leases for which the Group is the lessee is as follow:

	Use right of land	Buildings	Total
Cost:			
Balance at January 1, 2026	\$ 57,092	436,907	493,999
Additions	-	41,171	41,171
Reductions	-	(8,833)	(8,833)
Translation effect	2,444	-	2,444
Balance at June 30, 2026	\$ 59,536	469,245	528,781
Balance at January 1, 2025	\$ 56,842	442,199	499,041
Reductions	-	(9,815)	(9,815)
Translation effect	(5,168)	-	(5,168)
Balance at June 30, 2025	\$ 51,674	432,384	484,058
Accumulated depreciation:			
Balance at January 1, 2026	\$ 10,517	337,555	348,072
Depreciation	769	17,104	17,873
Reductions	-	(6,013)	(6,013)
Translation effect	464	-	464
Balance at June 30, 2026	\$ 11,750	348,646	360,396
Balance at January 1, 2025	\$ 8,975	302,535	311,510
Depreciation	733	23,941	24,674
Reductions	-	(6,105)	(6,105)
Translation effect	(869)	-	(869)
Balance at June 30, 2025	\$ 8,839	320,371	329,210
Carrying amount:			
Balance at January 1, 2026	\$ 46,575	99,352	145,927
Balance at June 30, 2026	\$ 47,786	120,599	168,385
Balance at June 30, 2025	\$ 42,835	112,013	154,848

(j) Short term loans

(i) The details, terms, and conditions of the Group's short-term borrowings are as follows:

2026.6.30			
Currency	Range of interest rates (%)	Year of maturity	Amount
Unsecured loans	USD 3.9700-4.3350	2026	\$ 828,880
2025.12.31			
Currency	Range of interest rates (%)	Year of maturity	Amount
Unsecured loans	USD 4.00-4.66	2026	\$ 722,706
2025.6.30			
Currency	Range of interest rates (%)	Year of maturity	Amount
Unsecured loans	USD 4.80-4.937	2025	\$ 641,102

As of June 30, 2026, December 31 and June 30, 2025, the unused credit facilities of the Group's short-term loans amounted to \$5,012,957 thousand, \$4,993,709 thousand and \$4,008,830 thousand, respectively.

(ii) Collateral of loans

As of June 30, 2026, December 31 and June 30, 2025, the Group has mortgaged its assets as collateral of loans, please refer to note 8.

(k) Long-term loans

(i) The details, terms, and conditions of the Group's long-term borrowings are as follows:

	2026.6.30			
	Currency	Range of interest rates (%)	Year of maturity	Amount
Unsecured bank loans	USD	3.82-4.08	2031	\$ 318,800
Less: Current portion				(6,642)
Non-current				<u>\$ 312,158</u>
	2025.12.31			
	Currency	Range of interest rates (%)	Year of maturity	Amount
Unsecured bank loans	USD	3.95-4.64	2031	\$ 314,220
Less: Current portion				-
Non-current				<u>\$ 314,220</u>
	2025.6.30			
	Currency	Range of interest rates (%)	Year of maturity	Amount
Unsecured bank loans	USD	4.46-4.64	2031	\$ 291,410
Less: Current portion				-
Non-current				<u>\$ 291,410</u>

As of June 30, 2026, December 31 and June 30, 2025, the Group's long-term loans by using the borrowing facilities granted by banks were all \$0 thousand.

(ii) Collateral for bank loans

As of June 30, 2026, December 31 and June 30, 2025, the Group did not provide any assets as collateral for long-term bank borrowing facilities.

(l) Lease liabilities

The carrying amounts of lease liabilities for the Group were as follows:

	<u>2026.6.30</u>	<u>2025.12.31</u>	<u>2025.6.30</u>
Current	\$ <u>36,647</u>	<u>37,121</u>	<u>36,726</u>
Non current	\$ <u>92,021</u>	<u>71,501</u>	<u>85,635</u>

The amounts recognized in profit or loss were as follows:

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
Interest on lease liability	\$ <u>664</u>	<u>704</u>	<u>1,256</u>	<u>1,483</u>
Variable lease payments not included in the measurement of lease liabilities	\$ <u>1,994</u>	<u>1,791</u>	<u>3,942</u>	<u>3,198</u>
Expenses relating to short term leases	\$ <u>118</u>	<u>492</u>	<u>357</u>	<u>1,010</u>
Expenses relating to leases of low value assets, excluding short term leases of low value assets	\$ <u>936</u>	<u>3,154</u>	<u>1,435</u>	<u>4,243</u>

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

	<u>For the six months ended June 30,</u>	
	<u>2026</u>	<u>2025</u>
Total cash outflow for leases	\$ <u>25,099</u>	<u>34,915</u>

(m) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reduction, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2025 and 2024.

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

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
Operating costs	\$ 933	592	1,895	1,210
Selling expenses	105	78	216	159
Administrative expenses	238	202	494	412
	\$ <u>1,276</u>	<u>872</u>	<u>2,605</u>	<u>1,781</u>

(ii) Defined contribution plans

The Group's expenses for the defined contribution plans have been allocated to the Bureau of Labor Insurance and local government agencies of the overseas subsidiaries were as follows:

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
Operating costs	\$ 33,789	33,171	67,238	67,332
Selling expenses	1,905	1,798	3,763	3,702
Administrative expenses	2,705	2,797	5,409	5,696
Research and development expenses	2,804	2,581	5,426	5,374
	\$ <u>41,203</u>	<u>40,347</u>	<u>81,836</u>	<u>82,104</u>

(n) Income tax

Income tax expense is measured based on the pretax income of the interim reporting period multiplied by management's best estimate of the effective tax rate expected for the full fiscal year.

(i) The breakdown of the Group's income tax expense is as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Current tax expenses				
Tax for current period	92,632	65,880	164,208	144,740
Additional tax on undistributed earnings	11,916	36,867	11,916	36,867
Prior period adjustments	1,379	(78,222)	2,202	(78,222)
Income tax expenses of going concern entities	<u>\$ 105,927</u>	<u>24,525</u>	<u>178,326</u>	<u>103,385</u>

(ii) Status of income tax assessment

The income tax authorities in the Republic of China have examined the Company's income tax returns through 2022.

(o) Share capital and other equity

Except as described below, there were no material changes in the capital and other equity of the consolidated entities during the periods from the six months ended June 30, 2026 and 2025. For related information, please refer to Note 6(o) of the Consolidated Financial Statements for the year ended December 31, 2025.

(i) Common stock

As of June 30, 2026, December 31 and June 30, 2025, the total value of authorized nominal common shares amounted to \$4,500,000 thousand, with par value of \$10 per share, of which 397,495 thousand shares of common shares were outstanding. All issued shares were paid up upon issuance.

The following is the reconciliation of the number of common shares outstanding of the Company from January 1 to June 30, 2026 and 2025:

	(expressed in thousands of shares)	
	For the six months ended June 30,	
	2026	2025
Balance at January 1	\$ 397,495	397,495
Repurchase of treasury shares	(150)	-
Balance at June 30	<u>\$ 397,345</u>	<u>397,495</u>

(ii) Retained earnings

1) Legal reserve

If the Company incurs no loss for the year, the distribution of the legal reserve by issuing new shares or by cash shall be decided at the shareholders' meeting, and only the portion of legal reserve which exceeds 25 percent of the paid-in capital may be distributed.

2) Distribution of earnings

According to the Company's Articles of Incorporation, when allocating the net profits for each fiscal year, the Company should first pay income tax, offset its prior years' losses, and appropriate 10% of net income to legal reserve. The cumulative legal reserve has reached the amount of paid-in capital, no more legal reserve shall be allocated. Should there still be remaining earnings, a special reserve can be allocated because of operational consideration and regulatory imperatives. Among the rest of the remaining earnings of the yearly profits, the dividends or bonuses to shareholders shall range from 20% to 80%. The rest is unallocated remaining earnings and will be added to the remaining earnings of previous years. The board can make a proposal of distributing those remaining earnings for the Shareholders' Meeting to approve.

The dividend policy shall take into consideration the actual business environment and stage of business growth. The BOD shall prepare and submit the specific distribution plans for approval by the Shareholders' Meeting, in view of future fund needs, the financial planning and the balanced dividend policy of cash dividend and stock dividend. The cash dividend shall not be less than 20% of the total amount of the current profit distribution, and shall not be less than 50% of that if the Company can acquire enough external financing. The actual distribution amount, category and proportions of the earnings shall be decided and adjusted per actual profitability and capital status and be resolved by the Shareholders' Meeting.

The appropriations of 2025 and 2024 earnings have been approved by the Company's shareholders in its meetings held on June 24, 2026, and June 25, 2025, respectively. The appropriations and dividends per share were as follows:

	2025		2024	
	Amount per share (NT dollars)	Total Amount	Amount per share (NT dollars)	Total Amount
Dividends distributed to common stockholders:				
Cash	\$ 1	<u>397,495</u>	1.85	<u>735,366</u>

For information on the profit distribution of the earnings, please refer to the website of Market Observation Post System of Taiwan Stock Exchange.

(iii) Other equities (net amount after tax)

	Foreign exchange differences arising from foreign entities	Non-controlling interests	Total
Balance at January 1, 2026	\$ 106,611	(7,070)	99,541
Foreign exchange differences arising from foreign operation	229,614	(114)	229,500
Balance at June 30, 2026	<u>\$ 336,225</u>	<u>(7,184)</u>	<u>329,041</u>
Balance at January 1, 2025	\$ 39,439	(7,174)	32,265
Foreign exchange differences arising from foreign operation	(1,010,740)	(182)	(1,010,922)
Balance at June 30, 2025	<u>\$ (971,301)</u>	<u>(7,356)</u>	<u>(978,657)</u>

(iv) Treasury Stock

In order to transfer shares to employees, the Company, pursuant to the resolution of the Board of Directors on March 10, 2026, planned to repurchase 3,000 thousand shares of the Company in accordance with Article 28-2 of the Securities and Exchange Act. The planned repurchase period was from March 11, 2026, to May 10, 2026, with a repurchase price range of NT\$28.39 to NT\$45.00 per share. The actual repurchase period was from March 13, 2026, to March 24, 2026. The actual number of shares repurchased was 150 thousand, with a total repurchase amount (including handling fees) of NT\$6,333 thousand. The Averaging repurchase price was NT\$42.22 per share. These shares have not yet been transferred to employees.

In order to incentivize employees and enhance their sense of cohesion, the Company, pursuant to the resolution of the Board of Directors on August 12, 2026, planned to repurchase its own shares from Taiwan Stock Exchange for transfer to employees, in accordance with Article 28-2, Paragraph 1, Item 1 of the Securities and Exchange Act and the "Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies" issued by the Financial Supervisory Commission. The planned repurchase period is from August 13, 2026, to October 12, 2026. The number of shares to be repurchased is 1,200 thousand shares, with a repurchase price range of NT\$29.75 to NT\$53.00. If the Company's stock price falls below the lower limit of the price range, the repurchase will continue even at the price below the lower limit.

Treasury shares held by the Company may not be pledged in accordance with the Securities and Exchange Act, and shall not be entitled to exercise the rights of a shareholder in respect of such shares prior to transfer.

(p) Earnings per share

As of the six months ended June 30, 2026 and 2025, the calculation of the Company's basic and diluted earnings per share is as follows:

(i) Basic EPS

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Net income attributable to common shareholders of the Company	\$ 179,730	97,494	426,450	305,814
Weighted average number of common shares outstanding	397,345	397,495	397,410	397,495
Basic EPS (New Taiwan dollars)	\$ 0.45	0.25	1.07	0.77

(ii) Diluted EPS

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Net income attributable to common shareholders of the Company	\$ 179,730	97,494	426,450	305,814
Weighted average number of common shares outstanding — basic	397,345	397,495	397,410	397,495
Influence of potentially dilutive shares — Compensation to employees in the form of stock	374	538	700	1,044
Weighted average number of shares outstanding — diluted	397,719	398,033	398,110	398,539
Diluted EPS (New Taiwan dollars)	\$ 0.45	0.24	1.07	0.77

(q) Revenue from contracts with customers

(i) Disaggregation of revenue

The Group is engaged in one industry which manufactures and sells printed circuit boards. The disaggregation of revenue by primary geographical markets for the three months and the six months ended June 30, 2026 and 2025 were as follows:

For the three months ended June 30, 2026				
	Taiwan	China	Others	Total
Taiwan	\$ 227,358	11,603	33	238,994
United States	833,745	-	9,208	842,953
Germany	387,145	5,445	105	392,695
Japan	245,210	295,817	8,368	549,395
Hungary	98,165	2,503	-	100,668
Mexico	240,893	47,103	3,318	291,314
Thailand	4,127	19,359	472,132	495,618
China	210,593	100,436	5,654	316,683
Others	887,010	43,198	82,748	1,012,956
	\$ 3,134,246	525,464	581,566	4,241,276
For the three months ended June 30, 2025				
	Taiwan	China	Others	Total
Taiwan	\$ 251,896	-	-	251,896
United States	800,453	-	7,533	807,986
Germany	253,886	12,790	2,636	269,312
Japan	265,630	159,681	-	425,311
Hungary	130,803	3,675	-	134,478
Mexico	262,241	40,983	-	303,224
Thailand	2,665	13,334	442,763	458,762
China	275,505	189,045	5,557	470,107
Others	826,958	71,884	70,891	969,733
	\$ 3,070,037	491,392	529,380	4,090,809
For the six months ended June 30, 2026				
	Taiwan	China	Others	Total
Taiwan	\$ 424,594	11,603	1,121	437,318
United States	1,579,681	-	14,798	1,594,479
Germany	820,907	8,257	369	829,533
Japan	428,706	520,494	8,703	957,903
Hungary	210,980	5,225	-	216,205
Mexico	463,156	79,398	6,606	549,160
Thailand	8,322	19,359	912,737	940,418
China	439,682	266,287	9,817	715,786
Others	1,804,890	79,776	171,649	2,056,315
	\$ 6,180,918	990,399	1,125,800	8,297,117

For the six months ended June 30, 2025

	Taiwan	China	Others	Total
Taiwan	\$ 443,860	-	-	443,860
United States	1,493,305	-	11,698	1,505,003
Germany	553,523	19,903	5,049	578,475
Japan	553,493	257,588	-	811,081
Hungary	302,277	7,820	-	310,097
Mexico	560,612	75,723	-	636,335
Thailand	5,829	24,257	914,002	944,088
China	561,636	384,778	10,422	956,836
Others	1,517,448	85,401	142,635	1,745,484
	\$ 5,991,983	855,470	1,083,806	7,931,259

(ii) Contract balances

	2026.6.30	2025.12.31	2025.6.30
Notes receivable	\$ -	3,408	8,362
Account receivable	3,974,550	3,684,075	3,404,426
Less: loss allowance	208,448	251,476	197,876
Total	\$ 3,766,102	3,436,007	3,214,912

For the details on accounts receivable and allowance for impairment, please refer to note 6(e).

(iii) Refund liabilities (recorded under other current liabilities)

	2026.6.30	2025.12.31	2025.6.30
Sales return and discounts	\$ 794,200	782,890	749,504

The refund liabilities are expected payment to customers contingent on sales returns and discounts in the future. The amount recognized for refund liabilities is based on historical experience and other known factors and is treated as reduction of operating revenue when products are sold.

(r) Remuneration to employees and directors

On June 25, 2025, the Company's shareholders' meeting resolved to amend its Articles of Incorporation. According to the revised Articles, if the Company makes profits in a year, 2%~10% of the yearly profits shall be allocated for employee bonuses, and not more than 3% of the yearly profits for the remuneration of directors. However, when the company has accumulated losses, the profit shall be used to cover the accumulated losses beforehand. The employees for bonus distribution shall include non-executive employees and qualified employees of subsidiary companies. Of the employees bonuses allocated by the board of directors as mentioned above, no less than 25% of the total amount of such employee bonuses shall be distributed to non-executive employees. In accordance with the Company's articles of incorporation before revision, the Company should contribute no less than 2%~10% of profit as employee remuneration and less than 3% as directors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. Employees who are entitled to receive the above-mentioned employee remuneration, in share or cash, include the employees of the subsidiaries of the Company who meet certain specific requirement.

For the three months and six months ended June 30, 2026 and 2025, the Company accrued and estimated the remuneration to employees amounting to \$11,185 thousand, \$7,881 thousand, \$20,274 thousand and \$17,290 thousand, respectively, and the remuneration for directors of \$1,120 thousand, \$1,270 thousand, \$2,665 thousand and \$2,540 thousand, respectively. These amounts are calculated by multiplied the Company's profit before tax for the period before deducting the amount of the remuneration to the employees and directors, by the distribution ratio of remuneration to the employees and directors under the Company's articles of association, and the calculated amount is recorded as operating expenses for each period. If there are any subsequent adjustments to the actual remuneration amounts, the adjustment will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year. If the board of directors resolves to distribute employee compensation in the form of stock, the calculation basis for the number of shares of stock compensation is based on the closing price on the day before the board of directors' resolution.

The estimated amounts of employee compensation for the years 2025 and 2024 are \$34,716 thousand and \$58,386 thousand, respectively, and the estimated amounts of director remuneration for the years 2025 and 2024 are \$5,330 thousand and \$5,680 thousand, respectively. There are no discrepancies between the estimated amounts and the distribution resolved by the board of directors. Related information is available on the Market Observation Post System.

(s) Non-operating income and expenses

(i) Interest income

The details of the Group's interest income were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Interest income from bank deposits	\$ 40,229	40,701	78,773	80,421
Other interest income	9,248	8,995	18,457	18,295
Total Interest income	<u>\$ 49,477</u>	<u>49,696</u>	<u>97,230</u>	<u>98,716</u>

(ii) Other income

The details of the Group's other income were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Rental income	\$ 193	118	1,204	979
Other income—other				
Compensation income	306	4,588	14,749	6,404
Others	83,233	60,838	149,992	113,413
Subtotal other income—other	83,539	65,426	164,741	119,817
Total other income	<u>\$ 83,732</u>	<u>65,544</u>	<u>165,945</u>	<u>120,796</u>

(iii) Other gains and losses

The details of the Group's other gains and losses were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Gains (losses) on disposal of property, plant and equipment	\$ (1,429)	(3,813)	(2,927)	(6,840)
Foreign exchange gains (losses)	(25,387)	(126,482)	(20,228)	(62,131)
Gains on financial assets measured at fair value through profit and loss	4,484	8,235	9,371	16,764
Miscellaneous disbursements	(182)	(8,316)	(2,940)	(12,940)
Gains (losses) on lease modification	-	30.00	196	579
Other gains and losses, net	<u>\$ (22,514)</u>	<u>(130,346)</u>	<u>(16,528)</u>	<u>(64,568)</u>

(iv) Finance costs

The details of the Group's finance costs were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Interest expense				
Interest expense on bank borrowings	11,253	12,336	22,098	26,131
Interest expense on lease liabilities	664	704	1,256	1,483
Net finance costs	<u>\$ 11,917</u>	<u>13,040</u>	<u>23,354</u>	<u>27,614</u>

(t) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For related information, please refer to note 6(t) to the consolidated financial statements for the year ended December 31, 2025 for related information.

(i) Concentration of credit risk

The Group's counterparties of account receivables transaction mainly locate in the United States, China, and Germany. As of June 30, 2026, December 31 and June 30, 2025, the balance of accounts receivable from those regions accounted for 47%, 47% and 45% of the total balance, respectively.

(ii) Liquidity risk

The table below presents the contractual maturity of financial liabilities, including estimated interest.

	Carrying amount	Contractual cash flows	Within a year	1~2 years	2~5 years	Over 5 years
2026.6.30						
Non-derivative financial liabilities						
Unsecured loans	\$ 1,147,680	1,219,463	883,001	90,635	245,827	-
Accounts payable	2,944,354	2,944,354	2,944,354	-	-	-
Dividend payable	397,495	397,495	397,495	-	-	-
Other payables	1,299,906	1,299,906	1,299,906	-	-	-
Lease liabilities	128,668	134,690	39,054	35,655	51,075	8,906
Other current liabilities	76,368	76,368	76,368	-	-	-
	\$ 5,994,471	6,072,276	5,640,178	126,290	296,902	8,906
2025.12.31						
Non-derivative financial liabilities						
Unsecured loans	1,036,926	1,110,244	766,550	57,628	253,104	32,962
Notes payable	374,526	374,526	374,526	-	-	-
Accounts payable	2,102,763	2,102,763	2,102,763	-	-	-
Other payables	1,310,366	1,310,366	1,310,366	-	-	-
Lease liabilities	108,622	112,250	39,092	39,092	34,066	-
Other current liabilities	95,950	95,950	95,950	-	-	-
	\$ 5,029,153	5,106,099	4,689,247	96,720	287,170	32,962
2025.6.30						
Non-derivative financial liabilities						
Unsecured loans	932,512	1,014,079	685,311	19,058	241,695	68,015
Notes payable	396,839	396,839	396,839	-	-	-
Accounts payable	1,774,375	1,774,375	1,774,375	-	-	-
Dividend payable	735,366	735,366	735,366	-	-	-
Other payables	1,089,629	1,089,629	1,089,629	-	-	-
Lease liabilities	122,361	126,853	38,996	38,996	48,861	-
Other current liabilities	153,928	153,928	153,928	-	-	-
	\$ 5,205,010	5,291,069	4,874,444	58,054	290,556	68,015

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

(iii) Currency risk

1) Currency risk exposure

The Group's financial assets and liabilities exposure to significant foreign currency risk were as follows:

	2026.6.30			2025.12.31			2025.6.30		
	Foreign currency (in thousands)	Exchange rate	Amount	Foreign currency (in thousands)	Exchange rate	Amount	Foreign currency (in thousands)	Exchange rate	Amount
Financial assets:									
Monetary items:									
USD \$	124,883	31.8800	3,981,270	121,819	31.4220	3,827,797	117,881	29.1410	3,435,170
JPY	1,881,995	0.1966	370,000	1,441,892	0.2008	289,532	1,780,668	0.2021	359,873
EUR	12,098	36.3571	439,848	4,507	36.8958	166,289	8,094	34.1956	276,779
THB	3,478	0.9592	3,336	3,423	0.9981	3,416	3,298	0.8960	2,955
CNY	6,124	4.6892	28,717	11,010	4.4967	49,509	8,334	4.0700	33,919
Financial liabilities:									
Monetary items									
USD \$	56,142	31.8800	1,789,807	47,553	31.4220	1,494,210	46,473	29.1410	1,354,270
JPY	15,041	0.1966	2,957	8,649	0.2008	1,737	7,878	0.2021	1,592
EUR	27	36.3571	982	78	36.8958	2,878	13	34.1956	445
CNY	305	4.6892	1,430	22	4.4967	99	-	4.0700	-

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, other financial assets, loans and accounts and other payables that are denominated in foreign currency. Appreciation or depreciation by 1% of the NTD against the USD, JPY, EUR, THB and CNY as of June 30, 2026 and 2025, would have increased or decreased the net income before tax by \$30,280 thousand and \$27,524 thousand, respectively. The analysis is performed on the same basis for both periods.

3) Foreign exchange gains and losses on monetary items

Due to the multiple types of functional currency of the Group, the Group disclose its exchange gains and losses of monetary items aggregately. The Group's exchange gains (losses), including realized and unrealized, were \$(25,387) 、(126,482) 、(20,228) thousand and \$(62,131) thousand for the three months and the six months ended June 30, 2026 and 2025, respectively.

(iv) Interest rate analysis

The Group's financial assets with fair value risk due to interest rate fluctuations are bank deposits; its financial liabilities are short-term loans and long-term loans. The impact of interest rate fluctuations on the fair value of these financial assets is not significant.

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

If the interest rate increases or decreases by 1%, with all other variable factors remain constant, the Group's net income before tax will have increased or decreased by \$24,250 thousand and \$17,149 thousand, respectively, for the six months ended June 30, 2026, and 2025. This were mainly due from the Group's loans and time deposits on floating rates.

(v) Other market price risk

For the six months ended June 30, 2026 and 2025, sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for profit or loss as illustrated below:

	For the Six Months Ended June 30,			
	2026		2025	
	Other comprehensive income	Net income	Other comprehensive income	Net income
Price of securities at the reporting date				
Increasing 1%	\$ -	11,647	-	21,469
Decreasing 1%	\$ -	(11,647)	-	(21,469)

(vi) Fair value information

1) Categories and fair value of financial instruments

The Group's financial assets and liabilities measured at fair value through profit or loss are measured at fair value on a recurring basis. The carrying amounts and fair values of various types of financial assets and liabilities (including fair value hierarchy information, but excluding financial instruments, which are not measured at fair value and whose carrying amounts are a reasonable approximation of fair value, and lease liabilities, for which fair value information is not required to be disclosed) are set out below.

	2026.6.30				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit and loss					
Beneficiary certificate	\$ 1,164,708	1,164,708	-	-	1,164,708
Financial assets measured at amortized cost					
Foreign government bonds	\$ 912,480	912,266	-	-	912,266
	\$ 2,077,188	2,076,974	-	-	2,076,974

		2025.12.31				
		Carrying amount	Fair value			
			Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit and loss						
Beneficiary certificate	\$	1,455,337	1,455,337	-	-	1,455,337
Financial assets measured at amortized cost						
Foreign government bonds	\$	897,603	910,984	-	-	910,984
	\$	<u>2,352,940</u>	<u>2,366,321</u>	<u>-</u>	<u>-</u>	<u>2,366,321</u>
		2025.6.30				
		Carrying amount	Fair value			
			Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit and loss						
Beneficiary certificate	\$	2,146,935	2,146,935	-	-	2,146,935
Financial assets measured at amortized cost						
Foreign government bonds	\$	830,838	839,677	-	-	839,677
	\$	2,977,773	2,986,612	-	-	2,986,612

2) Valuation techniques for financial instruments not measured at fair value – financial assets measured at amortized cost

If the quoted prices in active markets are available, the market price is established as the fair value. Otherwise, the estimated valuation or prices used by counterparts are adopted.

3) Valuation techniques for financial instruments measured at fair value

a) Non-derivative financial instruments

If financial instrument has quoted price in an active market, using the quoted price as fair value.

The fair values of publicly offered open-ended funds with standard terms and conditions and traded on active liquid markets are determined with reference to the net asset value of the funds.

b) Derivative financial instrument

The fair value of forward exchange contract is usually measured by the forward exchange rate from financial institutions.

4) Fair value hierarchy

The Group uses market observable inputs whenever possible when measuring its assets and liabilities.

The fair value hierarchy is categorized based on the inputs used in the valuation techniques as follows:

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

There was no such situation that the Group reclassified the financial instruments from one level to another as of the reporting date.

5) Transfers from Level 1 financial instrument to Level 2 financial instrument

There was no significant transfer from level 2 financial instrument to level 1 financial instrument for the six months ended June 30, 2026 and 2025.

(u) Financial risk management

There were no significant changes in the Group's objectives and policies of financial risk management as disclosed in note 6(u) of the consolidated financial statements for the year ended December 31, 2025.

(v) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2025. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2025. Please refer to note 6(v) of the consolidated financial statements for the year ended December 31, 2025 for further details.

(w) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities for the six months ended June 30, 2026 and 2025 were as follows:

			Non-cash changes			
			Acquisition of right of use assets	Impact of exchange rate changes	Reduction of right of use assets	
	2026.1.1	Cash flows				2026.6.30
Short-term loans	\$ 722,706	101,913	-	4,261	-	828,880
Long-term loans	314,220	-	-	4,580	-	318,800
Lease liabilities	108,622	(18,109)	41,171	-	(3,016)	128,668
Total liabilities from financing activities	<u>\$ 1,145,548</u>	<u>83,804</u>	<u>41,171</u>	<u>8,841</u>	<u>(3,016)</u>	<u>1,276,348</u>

			Non- cash changes			
			Acquisition of right of use assets	Impact of exchange rate changes	Reduction of right of use assets	
	2025.1.1	Cash flows				2025.6.30
Short-term loans	\$ 786,408	(124,929)	-	(20,377)	-	641,102
Long-term loans	327,670	-	-	(36,260)	-	291,410
Lease liabilities	151,631	(24,981)	0	-	(4,289)	122,361
Total liabilities from financing activities	<u>\$ 1,265,709</u>	<u>(149,910)</u>	<u>0</u>	<u>(56,637)</u>	<u>(4,289)</u>	<u>1,054,873</u>

(7) Related party transactions

Key management personnel's compensation comprised:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Short term employee benefits	\$ 15,252	16,445	30,856	33,531
Retirement benefits	216	267	432	535
Severance benefits	125	173	253	380
Other long-term benefits	1	1	1	2
	<u>\$ 15,594</u>	<u>16,886</u>	<u>31,542</u>	<u>34,448</u>

For the six months ended June 30, 2026 and 2025, the Group provided one vehicle to key management personnel at costs of \$100 thousand and \$552 thousand, respectively.

(8) Pledged assets

The Group's carrying amounts of pledged assets were as follows:

<u>Pledged assets</u>	<u>Secured loans</u>	<u>2026.6.30</u>	<u>2025.12.31</u>	<u>2025.6.30</u>
Property, plant and equipment				
Land	Short term bank loans	\$ 31,739	33,026	29,648
Buildings	Short term bank loans	55,604	62,749	61,657
		<u>\$ 87,343</u>	<u>95,775</u>	<u>91,305</u>

(9) Material contingent liabilities and unrecognized contractual commitments

(a)

As of June 30, 2026, December 31 and June 30, 2025, the Group provided guarantee notes, each amounting to \$852,247 thousand, \$1,556,719 thousand and \$790,952 thousand, respectively, for usance letters of credits, domestic letters of credit and guarantees for the Group's hiring foreign labors. The customs duty guaranteed by the Group for importing raw materials each amounted to \$10,000 thousand.

(b)

For expanding the capacity, the Group entered contracts of construction and purchase of property, plant and equipment. The total contract amount was \$761,172 thousand, \$479,896 thousand and \$616,084 thousand as of June 30, 2026, December 31 and June 30, 2025, respectively, of which the Group had paid \$324,049 thousand, \$406,886 thousand and \$555,854 thousand, respectively, which are recorded under the accounts of the construction in progress and of prepayments for equipment accounts.

(10) Losses Due to Major Disasters: None.

(11) Subsequent Events:

For details regarding the Company's eighth treasury stock repurchase, please refer to Note 6(o).

(12) Other

- (a) A summary of employee benefit expenses, depreciation, depletion and amortization by function, were as follows:

By function By category	For the three months ended June 30, 2026			For the three months ended June 30, 2025		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salary	757,218	112,753	869,971	755,409	114,128	869,537
Labor and health insurance	65,252	9,168	74,420	66,461	9,007	75,468
Pension	34,722	7,757	42,479	33,763	7,456	41,219
Directors' remuneration	-	4,014	4,014	-	4,079	4,079
Other benefits	23,768	4,472	28,240	65,838	9,585	75,423
Depreciation	187,915	13,137	201,052	185,951	10,065	196,016
Amortization	-	-	-	-	-	-

By function By category	For the six months ended June 30, 2026			For the six months ended June 30, 2025		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salary	1,495,760	227,980	1,723,740	1,495,201	229,161	1,724,362
Labor and health insurance	135,253	18,694	153,947	136,536	18,746	155,282
Pension	69,133	15,308	84,441	68,542	15,343	83,885
Directors' remuneration	-	8,441	8,441	-	8,162	8,162
Other benefits	48,661	8,099	56,760	135,237	19,321	154,558
Depreciation	385,469	24,277	409,746	381,764	20,331	402,095
Amortization	-	-	-	-	-	-

- (b) Seasonality of operations

The Group's operations were not affected by seasonality or cyclicity factors.

(13) Other disclosures**(a) Information on significant transactions:**

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the six months ended June 30, 2026:

(i) Loans to other parties:

No.	Name of lender	Name of borrower	Financial statement account	Related party	Highest balance of financing to other parties during the year	Ending balance	Amount actually lending (Note 4)	Range of interest rates	Purposes of fund financing for the borrowers (Note 3)	Transaction amount for business between two parties	Reasons for short term financing	Allowance for bad debt	Collateral		Financing limit for each borrowing company	Maximum financing limit for the lender
													Item	Value		
0	Chin-Poon Industrial Co., Ltd.	Chin Poon Electronics (Thailand) Public Co., Ltd.	Other receivables — related parties	Yes	256,320	255,040	-	4.69	2	-	operating capital	-	-	-	7,008,801	7,008,801
															(Note 2)	(Note 2)
1	Chin Poon Holdings Cayman Limited	Chin-Poon (Changshu) Electronic Co., Ltd	Other receivables — related parties	Yes	768,960	765,120	765,120	4.69	2	-	operating capital	-	-	-	5,010,166	5,010,166
															(Note 1)	(Note 1)

Note 1: The total amount lending to the subsidiaries and each borrowing company shall not be over 50% of the net worth of Chin Poon Industrial Co., Ltd.

Note 2: The total amount lending to the subsidiaries and each borrowing company shall not be over 40% of the net worth of Chin Poon Holdings Cayman Limited.

Note 3: Nature of financing activities as follows:

- (1) if there are transactions between these two parties, the number is "1".
- (2) if it is necessary to make short-term loans to other parties, the number is "2".

Note 4: The balance has been reconciled when preparing the consolidated financial statements.

(ii) Guarantees and endorsements for other parties: none.**(iii) Securities held as of June 30, 2026 (excluding investment in subsidiaries, associates and joint ventures):**

Name of holder	Nature and name of security	Relationship with the security issuer	Account name	Ending balance				Remarks
				Number of units or Amount	Book value	Holding percentage	Fair value	
The Company	Beneficiary Certificate: Taishin 1699 Money Market Fund	-	Financial assets at fair value through profit or loss-current	33,379,381	483,350	- %	483,350	
The Company	Fubon Chi-Hsiang Money Market Fund	-	Financial assets at fair value through profit or loss-current	4,508,476	75,303	- %	75,303	
The Company	Fubon Money Market Fund	-	Financial assets at fair value through profit or loss current	38,288,611	606,055	- %	606,055	
Chin-Poon Holdings Cayman Limited	Bond: US government bond-US9128284N73	-	Financial assets at amortized cost -noncurrent	USD 10,000,000	311,084	- %	311,814	
Chin-Poon Holdings Cayman Limited	US government bond-US91282CFZ95	-	Financial assets at amortized cost -noncurrent	USD 5,000,000	159,024	- %	158,914	
Chin-Poon Holdings Cayman Limited	US government bond-US91282CHQ78	-	Financial assets at amortized cost -noncurrent	USD 9,850,000	314,734	- %	314,018	
Chin-Poon Holdings Cayman Limited	US government bond-US91282CKG59	-	Financial assets at amortized cost -noncurrent	USD 4,000,000	127,638	- %	127,520	

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

Name of company	Counter party	Relationship	Transaction details				Status and reason for deviation from arm's length transaction		Account / note receivable (payable)		Remarks
			Purchase / Sale	Amount (Note 2)	Percentage of total purchases / sales	Payment term	Unit price	Payment term	Balance (Note 2)	Percentage of total accounts / notes receivable (payable)	
The Company	Chin Poon(Changshu) Electronic Co., Ltd.	Investee controlled by the Company	Purchase	2,083,321	52.74%	Note 1	Note 1	Note 1	(1,033,128)	(49.52)%	
Chin Poon(Changshu) Electronic Co., Ltd.	The Company	Ultimate parent company of Chin Poon (Changshu) Electronic Co., Ltd.	(Sale)	(2,083,321)	(63.79)%	Note 1	Note 1	Note 1	1,033,128	72.21%	
Chin Poon Electronics (Thailand) Public Co., Ltd.	Chin Poon(Changshu) Electronic Co., Ltd.	Subsidiary to subsidiary	Purchase	192,340	23.56%	Note 1	Note 1	Note 1	(17,427)	(3.27)%	
Chin Poon(Changshu) Electronic Co., Ltd.	Chin Poon Electronics (Thailand) Public Co., Ltd.	Subsidiary to subsidiary	(Sale)	(192,340)	(5.89)%	Note 1	Note 1	Note 1	17,427	1.22%	

Note 1: The sales and purchase prices are based on the market prices. The terms of collection and payment are not significantly different from those to third parties.

Note 2: The balance has been reconciled when preparing the consolidated financial statements.

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

Name of related party	Counter party	Relationship	Balance of receivables from related party (Note 1)	Turnover rate	Overdue amount		Amounts received in subsequent period	Allowances for bad debts
					Amount	Action taken		
Chin Poon(Changshu) Electronic Co., Ltd.	The Company	Ultimate parent company of Chin Poon (Changshu) Electronic Co., Ltd.	1,033,128 (Note 2)	3.99	-	-	339,357 (As of July 31, 2026)	
Chin Poon Holdings Cayman Limited	Chin Poon(Changshu) Electronic Co., Ltd.	Parent Company of Chin Poon(Changshu) Electronic Co., Ltd.	772,374 (Note 3)	-	-	-	7,329 (As of July 31, 2026)	

Note 1: The balance has been reconciled when preparing the consolidated financial statements.

Note 2: The amount included a principle of NT\$ 765,120 thousand and other receivables of interest of NT\$ 7,254 thousand.

(vi) Business relationships and significant intercompany transactions:

No. (Note 1)	Name of company	Name of counter party	Existing relationship with the counter party (Note 2)	Transaction details			
				Account name	Amount (Note 5)	Trading terms (Note 3)	Percentage of the total consolidated revenue or total assets (Note 4)
0	The Company	Chin Poon (Changshu) Electronic Co., Ltd.	1	Cost of goods sold	2,083,321	Negotiated by both sides.	25.11%
0	The Company	Chin Poon (Changshu) Electronic Co., Ltd.	1	Account payable-related parties	1,033,128	Negotiated by both sides.	4.05%
1	Chin-Poon Holdings Cayman Limited	Chin Poon (Changshu) Electronic Co., Ltd.	3	Other receivables-related parties	772,374	The rate of interests is determined in accordance with mutual agreement.	3.03%
2	Chin Poon Electronics (Thailand) Public Co., Ltd.	Chin Poon (Changshu) Electronic Co., Ltd.	3	Cost of goods sold	192,340	Negotiated by both sides.	2.32%

Note 1: What the number indicates is as follows:

(1) 0: Parent company.

(2) 1: Subsidiaries are numbered sequentially by Arabic numerals.

Note 2: What relationship the number indicates is as follows:

(1) 1: Parent company to its subsidiary.

(2) 2: Subsidiary to its parent company.

(3) 3: A subsidiary to a subsidiary.

Note 3: The sales and purchase prices are based on the market prices. The terms of collection and payment are not significantly different from those to third parties.

Note 4: We hereby disclose the amounts of such items which are balance sheet items accounting for more than 1% of the consolidated total assets and profit and loss items accounting for more than 1% of the consolidated total revenues.

Note 5: The balance has been reconciled when preparing the consolidated financial statements.

(b) Information on investees:

The following is the information on investees for the nine months ended June 30, 2026 (excluding information on investees in Mainland China):

Name of investor	Name of investee	Address	Scope of business	Original cost		Ending balance			Net income of investee (Note 1)	Investment income (losses) (Note 1)	Remarks
				June 30, 2026	December 31, 2025	Shares	Percentage of ownership	Book value (Note 1)			
The Company	VEGA International Enterprise Co. Ltd.	British Virgin	Investment	3,716,845	3,716,845	151,242,925	100%	10,040,274	403,981	403,981	Subsidiary (Note 2)
The Company	Chin Poon Electronics (Thailand) Public Co., Ltd.	Thailand	Production and trading of printed circuit board	3,648,007	3,648,007	1,537,644,283	99.89%	2,597,916	12,428	12,414	Subsidiary (Note 3)
VEGA International Enterprise Co. Ltd.	Chin Poon Holdings Cayman Limited	Cayman Islands	Investment	3,402,946	3,402,946	112,354,035	100%	10,020,332	403,639	403,639	Second-tier Subsidiary (Note 2)

Note 1: The balance has been reconciled when preparing the consolidated financial statements.

Note 2: The investment income (loss) was based on the financial statements reviewed by the auditor of the Company.

Note 3: The financial statements were reviewed by an international accounting firm in cooperation with the accounting firm in R.O.C..

(c) Information on investment in mainland China:

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

Name of investee in Mainland China	Scope of business	Issued capital	Method of investment (Note 1)	Cumulative investment (amount) from Taiwan as of January 1, 2025	Amount of investment remitted or recovered during current period		Cumulative investment (amount) from Taiwan as of June 30, 2026	Net income of investee (Notes 2 and 3)	Direct / indirect ownership	Investment income (loss) (Notes 2 and 3)	Book value	Accumulated remittance of earnings in current period
					Remitted amount	Recovered amount						
Chin Poon (Changshu) Electronic Co., Ltd	Production and trading of printed circuit board	3,825,600	(Note 2)	2,709,800	-	-	2,709,800	338,766	100%	356,838	7,365,987	2,616,597
Suzhou Haokang Import & Export Co., Ltd.	General merchandise import and export	28,135	(Note 3)	-	-	-	-	(540)	100%	(540)	26,385	-

Note 1: The method of investment is divided into the following three categories:

- (1) Invest directly in a company in Mainland China.
- (2) Through companies in the third region, which then invested a company in Mainland China. (The Company invests Chin Poon (Changshu) Electronic Co., Ltd. through Chin Poon Holdings Cayman Limited.)
- (3) Other methods.(Chin-Poon Changshu Company established Suzhou Haokang Company through a direct investment of RMB 6,000 thousand in October 2025.)

Note 2: The investment income was based on the financial statements reviewed by the auditor of the Company.

Note 3: The balance has been reconciled when preparing the consolidated financial statements.

Note 4: Amounts in foreign currencies were translated based on the exchange rate at the reporting date (USD1 to NTD 31.8800).

Note 5: Chin-Poon Changshu Electronic Co., Ltd distributed dividends of USD 11,261 thousand (RMB 80,000 thousand) and USD 11,217 thousand (RMB 80,000 thousand) back to Chin Poon Holdings Cayman Limited in May 2024 and July 2025, respectively. And Chin Poon Holdings Cayman Limited distributed dividends of USD 22,478 thousand (RMB 160,000 thousand), which is the total amount of the above dividends, back to VEGA International Enterprise Co., Ltd. and then VEGA International Enterprise Co., Ltd. distributed dividends of the same amount back to The Company in July 2026.

(ii) Limitation on investment in Mainland China:

Company name	Accumulated investment amount in Mainland China as of June 30, 2026	Investment (amount) approved by Investment Commission, Ministry of Economic Affairs	Maximum investment amount set by Investment Commission, Ministry of Economic Affairs
Chin Poon Industrial Co., Ltd.	2,709,800	3,985,000	- (Note 1)

Note 1: On November 13, 2024, the Company was certified as the Operations Headquarter of the Group from November 1, 2024 to October 31, 2027 by the Industrial Development Bureau, Ministry of Economic Affairs, with approval letter No.11351020230. The Company has no limitation on investment in Mainland China during the abovementioned period.

Note 2: Amounts in foreign currencies were translated based on the exchange rate at the reporting date (USD1 to NTD 31.8800).

(iii) Significant transactions:

The significant intercompany transactions with the subsidiary in Mainland China, whose balance has been reconciled when preparing the consolidated financial statements for the six months ended June 30, 2026, please refer to note 13(a).

(14) Segment information:

Information on reportable segments and their reconciliation for the Group is as follows:

For the three months ended June 30, 2026					
	Taiwan	China	Others	Adjustments or write-off	Total
Revenue:					
Revenue from external customers	\$ 3,134,246	525,464	581,566	-	4,241,276
Inter-segment revenues	71	1,139,531	13,654	(1,153,256)	-
Total revenue	\$ 3,134,317	1,664,995	595,220	(1,153,256)	4,241,276
Reportable segment profit or loss	\$ 105,286	152,554	27,834	-	285,674
For the three months ended June 30, 2025					
Revenue:					
Revenue from external customers	\$ 3,070,037	491,392	529,380	-	4,090,809
Inter-segment revenues	7,623	1,066,165	21,885	(1,095,673)	-
Total revenue	\$ 3,077,660	1,557,557	551,265	(1,095,673)	4,090,809
Reportable segment profit or loss	\$ (96,415)	219,786	(1,370)	-	122,001
For the six months ended June 30, 2026					
Revenue:					
Revenue from external customers	\$ 6,180,918	990,399	1,125,800	-	8,297,117
Inter-segment revenues	168	2,284,157	19,689	(2,304,014)	-
Total revenue	\$ 6,181,086	3,274,556	1,145,489	(2,304,014)	8,297,117
Reportable segment profit or loss	\$ 202,322	361,457	41,011	-	604,790
For the six months ended June 30, 2025					
Revenue:					
Revenue from external customers	\$ 5,991,983	855,470	1,083,806	-	7,931,259
Inter-segment revenues	67,027	1,979,539	38,715	(2,085,281)	-
Total revenue	\$ 6,059,010	2,835,009	1,122,521	(2,085,281)	7,931,259
Reportable segment profit or loss	\$ 38,164	367,160	3,849	-	409,173

The Group's chief officers measure performances based on operating income (losses) before tax. As the information on segment assets and liabilities was not provided to the chief officers, the information on segment assets and liabilities was not disclosed in the consolidated balance sheet.

For the three months and the six months ended June 30, 2026 and 2025, inter-segment revenues of \$1,153,256 thousand, \$1,095,673 thousand, \$2,304,014 thousand and \$2,085,281 thousand respectively, should be writed-off from total revenue.