

Highlight Tech Corp. and its Subsidiaries
Consolidated Financial Statements for the Years
Ended December 31, 2025 and 2024 and
Independent Auditors' Report

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

Highlight Tech Corp. and its Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2025 and 2024 and

Independent Auditors' Report

Table of Contents

| Item | Page |
|--|-------|
| 1. Cover Page | 1 |
| 2. Table of Contents | 2 |
| 3. Statement | 3 |
| 4. Independent Auditors' Report | 4-7 |
| 5. Consolidated Balance Sheet | 8-9 |
| 6. Consolidated Statements of Comprehensive Income | 10 |
| 7. Consolidated Statements of Changes in Equity | 11 |
| 8. Consolidated Statements of Cash Flows | 12-13 |
| 9. Notes to Consolidated Financial Statements | |
| (1) Organization and Operations | 14 |
| (2) Date and Procedures for Approval of the Financial Report | 14 |
| (3) Application of Newly Issued and Amended Standards and Interpretations | 14-15 |
| (4) Summary of Significant Accounting Policies | 16-33 |
| (5) Critical Accounting Judgments and Key Sources of Estimation and Uncertainty | 33-34 |
| (6) Summary of Significant Accounting Titles | 34-61 |
| (7) Related Party Transactions | 61-62 |
| (8) Pledged Assets | 63 |
| (9) Significant Contingent Liabilities and Unrecognized Commitments | 63 |
| (10) Major Disaster Loss | 63 |
| (11) Material Events After the Balance Sheet Date | 63 |
| (12) Others | 64-72 |
| (13) Additional Disclosures | 72-73 |
| (14) Segments Information | 73-75 |

Highlight Tech Corp.

Representation Letter

Considering that the companies to be included into the consolidated financial statements of associates under the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” were the same as those to be included into the consolidated financial statements of the parent and subsidiaries under IFRS 10 for 2025 (from Jan. 1, 2025 to Dec. 31, 2025), and the relevant information to be disclosed in the consolidated financial statements of associates has already been disclosed in said consolidated financial statements of the parent and subsidiaries, no consolidated financial statements of associates were prepared separately.

It is hereby certified that the information disclosed herein is true and correct.

Highlight Tech Corp.

Person in Charge: Wu, Sheng Hsien

Mar. 10, 2026

Independent Auditors' Report

(2026)-Cai-Shen-Bao-Zi No. 25004474

To Highlight Tech Corp.,

Audit opinion

We have audited the accompanying consolidated balance sheets of Highlight Tech Corp. (the “Company”) and its subsidiaries (collectively, the “Group”) as of Dec. 31, 2025 and 2024 and the relevant consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended Dec. 31, 2025 and 2024, and notes to the consolidated financial statement, including a summary of significant accounting policies (collectively referred to as the consolidated financial statements).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of Dec. 31, 2025 and 2024 and its consolidated financial performance and its consolidated cash flows for the years then ended Dec. 31, 2025 and 2024 in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China, based on our audit results and the audit reports of other certified public accountants (CPAs) (refer to the section of “Other matters”).

Basis for opinion

We conducted our audits in accordance with the Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audit results and the audit reports of other accountants, we are convinced that we have acquired enough and appropriate audit evidence to serve as the basis of audit opinion.

Key audit matters

Key audit matters refer to the most vital matters in our audit of the consolidated financial statements of the Group for the year ended Dec. 31, 2025 based on our professional judgment. These matters were addressed in our audit of the consolidated financial statements as a whole, and in forming our audit opinion. We do not express a separate opinion on these matters.

Key audit matters of the consolidated financial statements of the Group for the year ended Dec. 31, 2025 are as follows:

Revenue recognition - Maintenance revenue

Description of Matters

Please refer to Note 4 (30) of the consolidated financial statements for detailed accounting policies on revenue recognition; Please refer to Note 6 (20) of the consolidated financial statements for detailed information on income.

The operating revenue of the Group mainly comes from the manufacturing of vacuum components and the sales and maintenance of vacuum equipment. It has significant impact on the consolidated financial statements, and in accordance with relevant provisions of the Statements on Auditing Standards, the predetermined revenue is recognized as a significant risk. Therefore, our accountant has listed the authenticity of maintenance income as a key audit item.

Corresponding audit procedures

The specific procedures implemented by our accountant in response to the key audit matters mentioned above are summarized as follows:

1. Understand and evaluate the effectiveness of the design and implementation of the internal control system for the recognition of revenue.
2. Inspect the breakdown of revenue from maintenance, and review the customer orders, delivery confirmation, and proof of payment to confirm the authenticity of the maintenance revenue.

Other matters - notes to parent company only financial reports

The Company has prepared parent company only financial reports for 2025, and we have issued an audit report containing our unqualified opinion plus the audit reports issued by other CPAs as in the section of “Other matters” for reference.

Other matters - reference to audits by other CPAs

The financial statements of some subsidiaries included in the consolidated financial statements of the Group have not been audited by our accountants, but have been audited by other accountants. Therefore, in the review report we issued on the consolidated financial statements, the amounts listed in the financial statements of the said subsidiaries were based on the audited reports by other CPAs. The total assets of the said subsidiaries as of Dec. 31, 2025 and 2024 were NT\$ 2,066,159 thousand and NT\$ 1,432,897 thousand, accounting for 26.46% and 18.01% of the total consolidated assets, respectively. The operating revenue recognized for the said subsidiaries for the years ended Dec. 31, 2025 and 2024 was NT\$ 1,086,565 thousand and NT\$ 866,924 thousand, accounting for 28.95% and 22.04% of the total consolidated operating revenue, respectively.

Responsibilities of the management and governing bodies for the consolidated financial statements

The responsibilities of the management are to prepare the consolidated financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and regulations of IFRS and IAS as well as IFRIC and SIC interpretations endorsed and issued into effect by the FSC, and to maintain necessary internal control associated with the preparation in order to ensure that the financial statements are free from material misstatement arising from fraud or error.

When the consolidated financial statements are prepared, the management is responsible for assessing the ability of the Group in continuing as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless the management intends to liquidate the Group or cease the operations without other viable alternatives.

The governing bodies of the Group (including the Audit Committee) are responsible for supervising the financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance on whether the consolidated financial statements as a whole are free from material misstatement arising from fraud or error, and to issue an independent auditors' report. Reasonable assurance is a high-level assurance but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatement can arise from fraud or error. If the amounts of misstatements, either separately or in aggregate, could reasonably be expected to influence the economic decisions of the users of the consolidated financial statements, they are considered material.

As part of an audit in accordance with auditing standards, we exercise professional judgment and professional skepticism throughout the audit. We also perform the following tasks:

1. Identify and assess the risks of material misstatement arising from fraud or error within the consolidated financial statements; design and execute appropriate countermeasures in response to said risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error.
2. Understand the internal control related to the audit in order to design appropriate audit procedures under the circumstances, while not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and relevant disclosures made by the management.

4. Conclude on the appropriateness of the management's adoption of the going concern basis of accounting based on the audit evidence obtained and whether a material uncertainty exists for events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we are of the opinion that a material uncertainty exists for said events or conditions, we shall remind users of the consolidated financial statements to pay attention to relevant disclosures in said statements within our audit report. If such disclosures are inadequate, we need to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the consolidated financial statements (including relevant notes), and whether the consolidated financial statements adequately present the relevant transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence concerning the financial information of entities within the Group, to express an opinion on the consolidated financial statements. We are responsible for guiding, supervising, and performing the audit and forming an audit opinion on the Group.

The matters communicated between us and the governing bodies include the planned scope and times of the audit and significant audit findings (including any significant deficiencies in internal control identified during the audit).

We also provided governing bodies with a declaration that we have complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence, and communicated with them all relationships and other matters that may possibly be regarded as detrimental to our independence (including relevant protective measures).

From the matters communicated with the governance bodies, we determined the key audit matters for the audit of the Group's consolidated financial statements for the year ended Dec. 31, 2025. We have clearly indicated such matters in the auditors' report unless legal regulations prohibit the public disclosure of specific matters, or in extremely rare cases, we decided not to communicate over specific matters in the auditors' report for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

PwC Taiwan

Wang, Ming-Yi

Lin, Yung-Chih

Financial Supervisory Commission R.O.C.

Approval Document No.: Jing-Guang-Zheng-Shen-Zi No. 1140351490

Jing-Guang-Zheng-Shen-Zi No. 1050029592

Mar. 10, 2026

Highlight Tech Corp. and its Subsidiaries
Consolidated Balance Sheet
Dec. 31, 2025 and 2024

| Assets | | Notes | Dec. 31, 2025 | | Unit: NTD thousand Dec. 31, 2024 | |
|---------------------------|--|-------------|---------------------|------------|-------------------------------------|------------|
| | | | Amount | % | Amount | % |
| Current assets | | | | | | |
| 1100 | Cash and cash equivalents | 6(1) | \$ 937,512 | 12 | \$ 1,232,128 | 16 |
| 1136 | Financial assets at amortized cost - current | 6(3) and 8 | 167,666 | 2 | 21,942 | - |
| 1140 | Contract assets - current | 6(20) | 421,420 | 6 | 403,088 | 5 |
| 1150 | Notes receivable, net | 6(4) | 8,898 | - | 37,861 | - |
| 1170 | Accounts receivable, net | 6(4) and 7 | 621,076 | 8 | 807,215 | 10 |
| 1200 | Other receivables | | 4,210 | - | 5,088 | - |
| 1220 | Current income tax assets | | 323 | - | 60 | - |
| 130X | Inventories | 6(5) | 1,561,123 | 20 | 1,325,040 | 17 |
| 1410 | Prepayments | | 83,431 | 1 | 85,031 | 1 |
| 1460 | Net non-current assets held for sale | 6(6) | 240,390 | 3 | - | - |
| 1470 | Other current assets | | 5,742 | - | 1,673 | - |
| 11XX | Total current assets | | <u>4,051,791</u> | <u>52</u> | <u>3,919,126</u> | <u>49</u> |
| Non-current assets | | | | | | |
| 1517 | Financial assets at FVTOCI - non-current | 6(2) | 6,007 | - | 6,007 | - |
| 1535 | Financial assets at amortized cost - non-current | 6(3) | 17,886 | - | 18,243 | - |
| 1550 | Investments accounted for using equity method | 6(7) | 216,971 | 3 | 215,723 | 3 |
| 1600 | Property, plant and equipment | 6(8) and 8 | 3,199,313 | 41 | 3,476,393 | 44 |
| 1755 | Right-of-use assets | 6(9) | 90,595 | 1 | 103,009 | 1 |
| 1780 | Intangible assets | 6(10) | 135,326 | 2 | 97,735 | 1 |
| 1840 | Deferred tax assets | 6(25) | 53,415 | 1 | 49,430 | 1 |
| 1900 | Other non-current assets | 6(11) and 8 | 38,242 | - | 70,739 | 1 |
| 15XX | Total non-current assets | | <u>3,757,755</u> | <u>48</u> | <u>4,037,279</u> | <u>51</u> |
| 1XXX | Total assets | | <u>\$ 7,809,546</u> | <u>100</u> | <u>\$ 7,956,405</u> | <u>100</u> |

(Continued on next page)

Highlight Tech Corp. and its Subsidiaries
Consolidated Balance Sheet
Dec. 31, 2025 and 2024

Unit: NTD thousand

| Liabilities and equity | Notes | Dec. 31, 2025 | | Dec. 31, 2024 | | |
|---|--|---------------|---------------------|---------------|---------------------|------------|
| | | Amount | % | Amount | % | |
| Current liabilities | | | | | | |
| 2100 | Short-term borrowings | 6(12) | \$ 752,380 | 10 | \$ 277,000 | 4 |
| 2110 | Short-term notes payable | | - | - | 40,000 | 1 |
| 2130 | Contract liabilities - current | 6(20) | 57,012 | 1 | 189,729 | 2 |
| 2150 | Notes payable | | 10 | - | - | - |
| 2170 | Accounts payable | 7 | 432,729 | 6 | 425,087 | 5 |
| 2200 | Other payables | 6(13) and 7 | 343,556 | 4 | 404,612 | 5 |
| 2230 | Current income tax liabilities | | 24,859 | - | 40,157 | 1 |
| 2250 | Current provisions | | 31,491 | - | 18,680 | - |
| 2280 | Lease liabilities - current | | 22,401 | - | 24,166 | - |
| 2320 | Long-term liabilities due within one year or one operating cycle | 6(14) and 8 | 822,152 | 11 | 641,028 | 8 |
| 2399 | Other current liabilities - others | | 18,450 | - | 10,953 | - |
| 21XX | Total current liabilities | | <u>2,505,040</u> | <u>32</u> | <u>2,071,412</u> | <u>26</u> |
| Non-current liabilities | | | | | | |
| 2540 | Long-term borrowings | 6(14) and 8 | 1,257,540 | 16 | 1,865,258 | 24 |
| 2570 | Deferred tax liabilities | 6(25) | 16,494 | - | 20,592 | - |
| 2580 | Lease liabilities - non-current | | 47,982 | 1 | 59,521 | 1 |
| 2600 | Other non-current liabilities | | 14,703 | - | 5,426 | - |
| 25XX | Total non-current liabilities | | <u>1,336,719</u> | <u>17</u> | <u>1,950,797</u> | <u>25</u> |
| 2XXX | Total liabilities | | <u>3,841,759</u> | <u>49</u> | <u>4,022,209</u> | <u>51</u> |
| Equity | | | | | | |
| Equity attributable to owners of the parent company | | | | | | |
| Share capital | | | | | | |
| 3110 | Common stock | 6(17) | 944,623 | 12 | 945,613 | 12 |
| Capital surplus | | | | | | |
| 3200 | Capital surplus | 6(18) | 326,739 | 4 | 410,684 | 5 |
| Retained earnings | | | | | | |
| 3310 | Legal reserve | 6(19) | 397,457 | 5 | 365,125 | 5 |
| 3320 | Special reserves | | 64,768 | 1 | 64,768 | 1 |
| 3350 | Undistributed earnings | | 1,398,418 | 18 | 1,309,105 | 16 |
| Other equity | | | | | | |
| 3400 | Other equity | | (29,961) | - | (7,270) | - |
| 31XX | Total equity attributable to owners of the parent company | | <u>3,102,044</u> | <u>40</u> | <u>3,088,025</u> | <u>39</u> |
| 36XX | Non-controlling interests | 4(3) | <u>865,743</u> | <u>11</u> | <u>846,171</u> | <u>10</u> |
| 3XXX | Total equity | | <u>3,967,787</u> | <u>51</u> | <u>3,934,196</u> | <u>49</u> |
| Significant contingent liabilities and unrecognized commitments | | | | | | |
| Material events after the balance sheet date | | | | | | |
| 3X2X | Total liabilities and equity | | <u>\$ 7,809,546</u> | <u>100</u> | <u>\$ 7,956,405</u> | <u>100</u> |

The accompanying notes are part of the consolidated financial statements. Please refer to them together with the statements.

Chairman:
Wu, Sheng Hsien

Manager:
Wu, Sheng Hsien

Accounting Manager: Huang,
Hsiang-Chun

Highlight Tech Corp. and its Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended Dec. 31, 2025 and 2024

Unit: NTD thousand (Except for earnings per share which is in NTD)

| Item | Notes | For the Years Ended Dec. 31 | | | |
|--|----------------|-----------------------------|--------------|-------------------|--------------|
| | | 2025 | | 2024 | |
| | | Amount | % | Amount | % |
| 4000 Operating revenue | 6(20) and 7 | \$ 3,753,653 | 100 | \$ 3,934,267 | 100 |
| 5000 Operating costs | 6(5)(23) and 7 | (2,502,411) | (67) | (2,574,463) | (65) |
| 5900 Gross profit | | <u>1,251,242</u> | <u>33</u> | <u>1,359,804</u> | <u>35</u> |
| Operating expenses | 6(23) | | | | |
| 6100 Selling and marketing expenses | | (304,541) | (8) | (300,356) | (8) |
| 6200 Administrative expenses | | (375,116) | (10) | (383,015) | (10) |
| 6300 Research and development expenses | | (206,573) | (6) | (221,261) | (5) |
| 6450 Expected credit impairment losses | 12(2) | (13,624) | - | (896) | - |
| 6000 Total operating expenses | | <u>(899,854)</u> | <u>(24)</u> | <u>(905,528)</u> | <u>(23)</u> |
| 6900 Net operating income | | <u>351,388</u> | <u>9</u> | <u>454,276</u> | <u>12</u> |
| Non-operating income and expenses | | | | | |
| 7100 Interest income | | 10,883 | - | 8,851 | - |
| 7010 Other income | | 15,865 | - | 10,129 | - |
| 7020 Other gains or losses | 6(21) | 6,549 | - | 16,955 | 1 |
| 7050 Financial costs | 6(22) | (55,139) | (1) | (45,435) | (1) |
| 7060 Share of profit or loss on associates and joint ventures accounted for using equity method | 6(7) | <u>16,710</u> | <u>1</u> | <u>4,116</u> | <u>-</u> |
| 7000 Total non-operating income and expenses | | <u>(5,132)</u> | <u>-</u> | <u>(5,384)</u> | <u>-</u> |
| 7900 Net income before tax | | <u>346,256</u> | <u>9</u> | <u>448,892</u> | <u>12</u> |
| 7950 Income tax expense | 6(25) | (50,096) | (1) | (63,018) | (2) |
| 8200 Net income | | <u>\$ 296,160</u> | <u>8</u> | <u>\$ 385,874</u> | <u>10</u> |
| Other comprehensive income | | | | | |
| Items that will not be reclassified subsequently to profit or loss | | | | | |
| 8311 Re-measurement of the defined benefit plan | | <u>(\$ 54)</u> | <u>-</u> | <u>\$ 757</u> | <u>-</u> |
| Items that may be reclassified subsequently to profit or loss | | | | | |
| 8361 Exchange differences on translating the financial statements of foreign operations | | (30,307) | (1) | 43,175 | 1 |
| 8370 Share of other comprehensive income of associates and joint ventures recognized using the equity method - items that may be reclassified subsequently to profit or loss | 6(7) | 167 | - | 1,321 | - |
| 8399 Income tax related to items that may be reclassified | 6(25) | <u>5,674</u> | <u>-</u> | <u>(7,806)</u> | <u>-</u> |
| 8360 Sum of items that may be reclassified subsequently to profit or loss | | <u>(24,466)</u> | <u>(1)</u> | <u>36,690</u> | <u>1</u> |
| 8300 Other comprehensive income (net amount) | | <u>(\$ 24,520)</u> | <u>(1)</u> | <u>\$ 37,447</u> | <u>1</u> |
| 8500 Total comprehensive income | | <u>\$ 271,640</u> | <u>7</u> | <u>\$ 423,321</u> | <u>11</u> |
| Net income attributable to: | | | | | |
| 8610 Owners of the parent company | | \$ 238,237 | 6 | \$ 323,319 | 8 |
| 8620 Non-controlling interests | | <u>57,923</u> | <u>2</u> | <u>62,555</u> | <u>2</u> |
| Net income | | <u>\$ 296,160</u> | <u>8</u> | <u>\$ 385,874</u> | <u>10</u> |
| Total comprehensive income attributable to: | | | | | |
| 8710 Owners of the parent company | | \$ 215,546 | 6 | \$ 357,500 | 9 |
| 8720 Non-controlling interests | | <u>56,094</u> | <u>1</u> | <u>65,821</u> | <u>2</u> |
| Total comprehensive income | | <u>\$ 271,640</u> | <u>7</u> | <u>\$ 423,321</u> | <u>11</u> |
| Earnings per share - basic | | | | | |
| 9750 Earnings per share - basic | 6(26) | <u>\$</u> | <u>2.52</u> | <u>\$</u> | <u>3.01</u> |
| Earnings per share - diluted | | | | | |
| 9850 Earnings per share - diluted | 6(26) | <u>\$</u> | <u>2.50</u> | <u>\$</u> | <u>2.98</u> |

The accompanying notes are part of the consolidated financial statements. Please refer to them together with the statements.

Chairman: Wu, Sheng Hsien

Manager: Wu, Sheng Hsien

Accounting Manager: Huang, Hsiang-Chun

Highlight Tech Corp. and its Subsidiaries
Consolidated Statements of Changes in Equity
For the Years Ended Dec. 31, 2025 and 2024

Unit: NTD thousand

| | | Equity attributable to owners of the parent company | | | | | | | | | | | |
|---|---|---|---------------|------------------|------------------------|--|--|-----------------------|-----------------|------------|---------------------------|--------------|--------------|
| | | Retained earnings | | | | Other equity | | | | | | | |
| Notes | Common stock | Capital surplus | Legal reserve | Special reserves | Undistributed earnings | Exchange differences on translating the financial statements of foreign operations | Re-measurement of the defined benefit plan | Unearned compensation | Treasury shares | Total | Non-controlling interests | Total equity | |
| <u>For the Year Ended Dec. 31, 2024</u> | | | | | | | | | | | | | |
| | Balance at Jan. 1, 2024 | \$ 1,182,017 | \$ 361,290 | \$ 329,441 | \$ 64,768 | \$ 1,021,470 | (\$ 46,423) | \$ 5,030 | (\$ 58) | \$ - | \$ 2,917,535 | \$ 649,899 | \$ 3,567,434 |
| | Net income | - | - | - | - | 323,319 | - | - | - | - | 323,319 | 62,555 | 385,874 |
| | Other comprehensive income | - | - | - | - | - | 33,637 | 544 | - | - | 34,181 | 3,266 | 37,447 |
| | Total comprehensive income | - | - | - | - | 323,319 | 33,637 | 544 | - | - | 357,500 | 65,821 | 423,321 |
| | Earnings appropriation and allocation for 2023 | 6(19) | | | | | | | | | | | |
| | Legal reserve | - | - | 35,684 | - | (35,684) | - | - | - | - | - | - | - |
| | Cash capital reduction | 6(17) | (236,404) | - | - | - | - | - | - | (236,404) | - | (236,404) | |
| | Cash dividends paid out by subsidiaries | | - | - | - | - | - | - | - | - | (57,159) | (57,159) | |
| | Changes in ownership interests of subsidiaries | 6(27) | - | 2,268 | - | - | - | - | - | 2,268 | (3,853) | (1,585) | |
| | Cash capital increase from subsidiaries | | - | 47,126 | - | - | - | - | - | 47,126 | 189,227 | 236,353 | |
| | Cash capital reduction from subsidiaries | | - | - | - | - | - | - | - | - | (11,572) | (11,572) | |
| | Share-based payment of subsidiaries | | - | - | - | - | - | - | - | - | 13,808 | 13,808 | |
| | Balance at Dec. 31, 2024 | \$ 945,613 | \$ 410,684 | \$ 365,125 | \$ 64,768 | \$ 1,309,105 | (\$ 12,786) | \$ 5,574 | (\$ 58) | \$ - | \$ 3,088,025 | \$ 846,171 | \$ 3,934,196 |
| <u>For the Year Ended Dec. 31, 2025</u> | | | | | | | | | | | | | |
| | Balance at Jan. 1, 2025 | \$ 945,613 | \$ 410,684 | \$ 365,125 | \$ 64,768 | \$ 1,309,105 | (\$ 12,786) | \$ 5,574 | (\$ 58) | \$ - | \$ 3,088,025 | \$ 846,171 | \$ 3,934,196 |
| | Net income | - | - | - | - | 238,237 | - | - | - | - | 238,237 | 57,923 | 296,160 |
| | Other comprehensive income | - | - | - | - | - | (22,675) | (16) | - | (22,691) | (1,829) | (24,520) | |
| | Total comprehensive income | - | - | - | - | 238,237 | (22,675) | (16) | - | 215,546 | 56,094 | 271,640 | |
| | Earnings appropriation and allocation for 2024 | 6(19) | | | | | | | | | | | |
| | Cash dividends | | - | - | - | (113,474) | - | - | - | (113,474) | - | (113,474) | |
| | Legal reserve | | - | - | 32,332 | (32,332) | - | - | - | - | - | - | |
| | Cash dividends paid out from capital surplus | 6(19) | (75,649) | - | - | - | - | - | - | (75,649) | - | (75,649) | |
| | Cash dividends from subsidiaries | | - | - | - | - | - | - | - | - | (54,298) | (54,298) | |
| | Cash contributions from non-controlling interests for subsidiary establishment and capital increase | | - | - | - | - | - | - | - | - | 16,000 | 16,000 | |
| | Exercise of employee stock options of subsidiaries | | - | - | - | - | - | - | - | - | 29,577 | 29,577 | |
| | Changes in ownership interests of subsidiaries | 6(18) | (8,063) | - | - | - | - | - | - | (8,063) | (27,801) | (35,864) | |
| | Repurchase of treasury shares | 6(17) | - | - | - | - | - | - | (4,341) | (4,341) | - | (4,341) | |
| | Cancellation of treasury shares | 6(17)(18) | (990) | (233) | - | (3,118) | - | - | 4,341 | - | - | - | |
| | Balance at Dec. 31, 2025 | \$ 944,623 | \$ 326,739 | \$ 397,457 | \$ 64,768 | \$ 1,398,418 | (\$ 35,461) | \$ 5,558 | (\$ 58) | \$ - | \$ 3,102,044 | \$ 865,743 | \$ 3,967,787 |

The accompanying notes are part of the consolidated financial statements. Please refer to them together with the statements.

Chairman: Wu, Sheng Hsien

Manager: Wu, Sheng Hsien

Accounting Manager: Huang, Hsiang-Chun

Highlight Tech Corp. and its Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended Dec. 31, 2025 and 2024

Unit: NTD thousand

| | <u>Notes</u> | <u>For the Year Ended Dec. 31, 2025</u> | <u>For the Year Ended Dec. 31, 2024</u> |
|---|--------------|---|---|
| <u>Cash flows from operating activities</u> | | | |
| Net income before tax | | \$ 346,256 | \$ 448,892 |
| Adjustments | | | |
| Income and expenses | | | |
| Depreciation expenses | 6(23) | 252,356 | 230,957 |
| Amortization expenses | 6(23) | 16,506 | 20,155 |
| Expected credit impairment losses | 12(2) | 13,624 | 896 |
| Interest expense | 6(22) | 55,139 | 45,435 |
| Share-based payment | 6(16) | 3,466 | 13,808 |
| Interest income | | (10,883) | (8,851) |
| Share of profit or loss on associates and joint ventures accounted for using equity method | 6(7) | (16,710) | (4,116) |
| Gains on disposal of investments | 6(21) | (4,291) | - |
| Gains on disposal of property, plant and equipment | 6(21) | (18) | (1,252) |
| Changes in operating assets and liabilities | | | |
| Net changes in operating assets | | | |
| Contract assets - current | | (18,332) | (207,941) |
| Notes receivable | | 28,617 | 93,333 |
| Accounts receivable (including related parties) | | 173,150 | (4,080) |
| Other receivables | | (510) | (586) |
| Inventories | | (259,599) | 24,876 |
| Prepayments | | 1,317 | (16,608) |
| Other current assets | | (4,069) | 3,319 |
| Other non-current assets | | (43) | - |
| Net changes in operating liabilities | | | |
| Contract liabilities - current | | (132,717) | 59,214 |
| Accounts payable (including related parties) | | 7,642 | (23,248) |
| Other payables | | (16,853) | (62,713) |
| Current provisions | | 12,811 | 7,825 |
| Other current liabilities | | 7,497 | (4,132) |
| Net defined benefit liabilities | | (338) | (96) |
| Other non-current liabilities | | (666) | (2,273) |
| Cash inflow from operations | | 453,352 | 612,814 |
| Interest received | | 12,271 | 8,771 |
| Interest paid | | (53,455) | (42,487) |
| Dividend received | | 6,531 | - |
| Income tax paid | | (66,579) | (52,826) |
| Income tax refund | | 5,264 | 7,598 |
| Net cash inflow from operating activities | | <u>357,384</u> | <u>533,870</u> |

(Continued on next page)

Highlight Tech Corp. and its Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended Dec. 31, 2025 and 2024

Unit: NTD thousand

| | Notes | For the Year Ended Dec. 31, 2025 | For the Year Ended Dec. 31, 2024 |
|---|-------|-------------------------------------|-------------------------------------|
| <u>Cash flows from investing activities</u> | | | |
| Acquisition of financial assets at amortized cost | | (\$ 178,782) | (\$ 22,000) |
| Disposal of financial assets at amortized cost | | 32,969 | 47,105 |
| Acquisition of property, plant and equipment | 6(29) | (134,011) | (180,850) |
| Proceeds from disposal of property, plant and equipment | | 32 | 2,536 |
| Acquisition of intangible assets | 6(10) | (38,581) | (13,784) |
| Increase in refundable deposits | | (3,281) | (2,074) |
| Decrease in refundable deposits | | 5,062 | 3,491 |
| Increase in prepayment for land and equipment | | (42,357) | (51,754) |
| Acquisition of subsidiaries (net of cash received) | 6(28) | - | (60,042) |
| Disposal of investments accounted for using the equity method | | 13,389 | - |
| Net cash outflow from investing activities | | (345,560) | (277,372) |
| <u>Cash flows from financing activities</u> | | | |
| Increase in short-term borrowings | | 5,682,880 | 1,423,000 |
| Decrease in short-term borrowings | | (5,207,500) | (1,958,000) |
| Increase in short-term notes payable | | 1,160,000 | 90,000 |
| Decrease in short-term notes payable | | (1,200,000) | (50,000) |
| New long-term borrowings | | 665,855 | 1,079,160 |
| Repayment of long-term borrowings | | (1,090,434) | (326,924) |
| Issue of cash dividends | 6(19) | (113,474) | - |
| Cash dividends paid out by subsidiaries | 4(3) | (54,298) | (57,159) |
| Cash dividends paid out from capital surplus | 6(18) | (75,649) | - |
| Repayment of lease liabilities | 6(30) | (37,171) | (24,177) |
| Increase in guarantee deposits | | 546 | 266 |
| Decrease in guarantee deposits | | (334) | (81) |
| Acquisition of non-controlling interests | | (69) | (1,585) |
| Cash capital increase from subsidiaries | | - | 236,353 |
| Cash capital reduction from subsidiaries | | - | (11,572) |
| Cash capital reduction | 6(17) | - | (236,404) |
| Cash contributions from non-controlling interests for subsidiary establishment and capital increase | | 16,000 | - |
| Repurchase of treasury shares (including subsidiaries) | | (43,569) | - |
| Exercise of employee stock options of subsidiaries | | 29,577 | - |
| Net cash (outflow) inflow from financing activities | | (267,640) | 162,877 |
| Effect of changes in exchange rates on cash and cash equivalents | | (38,800) | (9,237) |
| Increase (decrease) in cash and cash equivalents during the period | | (294,616) | 410,138 |
| Opening balance of cash and cash equivalents | | 1,232,128 | 821,990 |
| Ending balance of cash and cash equivalents | | \$ 937,512 | \$ 1,232,128 |

The accompanying notes are part of the consolidated financial statements. Please refer to them together with the statements.

Chairman:
Wu, Sheng Hsien

Manager:
Wu, Sheng Hsien

Accounting Manager:
Huang, Hsiang-Chun

Highlight Tech Corp. and its Subsidiaries
Notes to Consolidated Financial Statements
2025 and 2024

Unit: NTD thousand
(unless otherwise specified)

1. Organization and Operations

Highlight Tech Corp. (the “Company”), which was incorporated in the Republic of China in April 1997, and its subsidiaries (collectively, the “Group”) mainly engage in the manufacturing of vacuum components for high-tech processes, the design and production of system modules, and the sales and maintenance of vacuum equipment.

Since December 2002, the Company’s stock has been listed on Taipei Exchange for trading.

2. Date and Procedures for Approval of the Financial Report

The consolidated financial statements were approved by the board of directors and authorized for issue on Mar. 10, 2026.

3. Application of Newly Issued and Amended Standards and Interpretations

(1) The effect of adopting new or amended IFRS Accounting Standards as endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The table below summarizes the new, revised, and amended IFRS Accounting Standards endorsed by the FSC, applicable to 2025:

| New/ Revised/ Amended Standards and Interpretations | Effective date announced by IASB |
|---|----------------------------------|
| Amendments to IAS 21 “Lack of Exchangeability” | Jan. 1, 2025 |

As per the Group’s assessment, the above standards and interpretations have no material impact on the Group’s financial position and financial performance.

(2) The effect of not adopting new or amended IFRS Accounting Standards as endorsed by the FSC

The table below summarizes the new, revised, and amended IFRS Accounting Standards endorsed by the FSC, applicable to 2026:

| New/ Revised/ Amended Standards and Interpretations | Effective date announced by IASB |
|---|----------------------------------|
| Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” | Jan. 1, 2026 |
| Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity” | Jan. 1, 2026 |

| New/ Revised/ Amended Standards and Interpretations | Effective date announced by IASB |
|---|----------------------------------|
| IFRS 17 “Insurance Contracts” | Jan. 1, 2023 |
| Amendments to IFRS 17 “Insurance Contracts” | Jan. 1, 2023 |
| Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information” | Jan. 1, 2023 |
| Annual Improvements to IFRS Accounting Standards - Volume 11 | Jan. 1, 2026 |

As per the Group’s assessment, the above standards and interpretations have no material impact on the Group’s financial position and financial performance.

(3) The effect of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The table below summarizes the new, revised, and amended IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC:

| New/ Revised/ Amended Standards and Interpretations | Effective date announced by IASB |
|--|----------------------------------|
| Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture” | To be determined by IASB |
| IFRS 18 “Presentation and Disclosure in Financial Statements” | Jan. 1, 2027 (Note) |
| IFRS 19 “Subsidiaries without Public Accountability: Disclosures” | Jan. 1, 2027 |
| Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency” | Jan. 1, 2027 |

Note: The FSC announced in a press release dated Sept. 25, 2025, that public companies shall apply International Financial Reporting Standard (IFRS) 18 (hereinafter referred to as “IFRS 18”) starting from the fiscal year 2028; furthermore, if an entity has a need for early adoption of IFRS 18, it may elect to apply the IFRS 18 provisions in advance after the FSC endorses the standard.

As per the Group’s assessment, except for those mentioned below, the above standards and interpretations have no material impact on the Group’s financial position and financial performance. The relevant amounts impacted will be disclosed when the assessment is completed:

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 “Presentation and Disclosure in Financial Statements” has replaced IAS 1, updated the structure of the statements of comprehensive income, added disclosures on management-defined performance measures, and enhanced the principles of aggregation and disaggregation used in the main financial statements and notes.

4. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and regulations of IFRS and IAS as well as IFRIC and SIC interpretations endorsed and issued into effect by the FSC (hereinafter referred to as “IFRSs”).

(2) Basis of preparation

A. Except for the following major items, the consolidated financial statements have been prepared at historical cost:

- (A) Financial assets and liabilities (including derivatives) at fair value through profit or loss were measured at fair value.
- (B) Financial assets at fair value through other comprehensive income were measured at fair value.
- (C) Defined benefit liabilities recognized at the net amount of pension plan assets, less the present value of defined benefit obligations.

B. The preparation of the financial statements in compliance with the IFRSs requires the use of some critical accounting estimates. In the process of applying the Group’s accounting policies, management also needed to exercise its judgment. For items requiring meticulous judgment or involving complexity, or involving critical assumptions and estimates in the financial statements, please refer to Note 5 for details.

(3) Basis of consolidation

A. Principles for preparation of consolidated financial statements

- (A) All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control over the subsidiaries and ceases when the Group loses control over the subsidiaries.

- (B) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group have been eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- (C) Each component of profit or loss and other comprehensive income are attributable to the owners of the parent and the non-controlling interests. Total comprehensive income is attributable to the owners of the parent and the non-controlling interests even if this results in a deficit balance in the non-controlling interests.
- (D) Changes in the ownership interest in a subsidiary that do not result in the loss of control over the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.
- (E) When the Group loses control of a subsidiary, the remaining investment in that subsidiary is remeasured at fair value and recognized as the fair value of the financial asset upon initial recognition or as the cost of the investment in an associate or joint venture upon initial recognition; any difference between the fair value and the carrying amount is recognized in current profit or loss. The accounting treatment for all amounts previously recognized in other comprehensive income related to the subsidiary shall be the same as if the Group directly disposes of the related assets or liabilities, that is, if the profits or losses previously recognized in other comprehensive income will be reclassified as profit or loss when disposing of the related assets or liabilities, then when the control over the related subsidiary is lost, such profits or losses will be reclassified from equity as profit or loss.

B. Subsidiaries included in the consolidated financial statements:

| Name of investor | Name of subsidiary | Nature of business | Shareholding percentage | | Description |
|----------------------|--------------------------------|--|-------------------------|---------------|---------------|
| | | | Dec. 31, 2025 | Dec. 31, 2024 | |
| Highlight Tech Corp. | Finesse Technology Co., Ltd. | Electronic components, mechanical equipment maintenance and sales of related components | 30.17 | 30.32 | Notes 1, 2, 8 |
| Highlight Tech Corp. | Highlight Tech Japan Co., Ltd. | Sales of electronic equipment, manufacturing of vacuum components, and sales and maintenance of vacuum equipment | 100.00 | 100.00 | - |

| Name of investor | Name of subsidiary | Nature of business | Shareholding percentage | | Description |
|------------------------------------|------------------------------------|--|-------------------------|------------------|-------------|
| | | | Dec. 31, 2025 | Dec. 31, 2024 | |
| Highlight Tech Corp. | TetraTrio Tech Co., Ltd. | Maintenance of mechanical equipment and electronic parts | 75.00 | - | Notes 3, 9 |
| Highlight Tech Corp. | Highlight Tech US LLC | Sales of electronic equipment, manufacturing of vacuum components, and sales and maintenance of vacuum equipment | 100.00 | - | Note 4 |
| Highlight Tech Corp. | Highlight Tech International Corp. | A holding company that invests in businesses in Mainland China | 100.00 | 100.00 | - |
| Highlight Tech International Corp. | Highlight Tech (Shanghai) Corp. | Sales of electronic equipment, manufacturing of vacuum components, and sales and maintenance of vacuum equipment | 100.00 | 100.00 | - |
| Highlight Tech Corp. | Shanorm Tech Co., Ltd. | Maintenance of mechanical equipment and electronic parts and retail of mechanical appliances and electronic materials | 100.00 | 100.00 | Note 9 |
| Highlight Tech Corp. | Schmidt Scientific Taiwan Ltd. | Sales of medical equipment, electronic components, optical instruments, and automatic solar combined tabbers and stringers | 61.12 | 60.96 | Notes 5, 9 |
| Finesse Technology Co., Ltd. | | | 15.18 | 15.18 | |
| Highlight Tech Corp. | Litho Med Trading Co., Ltd. | Wholesale and retail of medical equipment and machinery | 100.00 | 100.00 | Notes 6, 8 |

| Name of investor | Name of subsidiary | Nature of business | Shareholding percentage | | Description |
|---|---|---|-------------------------|------------------|-------------|
| | | | Dec. 31, 2025 | Dec. 31, 2024 | |
| Finesse Technology Co., Ltd. | Finesse Technology Co., Ltd. | Semiconductor key subsystem development, material sourcing, manufacturing, assembly, testing, sales, and repair and maintenance services | 100.00 | 100.00 | Note 8 |
| Finesse Technology Co., Ltd. | Seiki Semiconductor Co., Ltd. | Production and sales of chip and wafer bonding equipment; production and sales of ion beam surface treatment equipment; wafer bonding services and foundry. | 52.78 | - | Notes 7, 9 |
| Finesse Technology Co., Ltd. | Finesse Technology (Shanghai) Co., Ltd. | Electronic components, mechanical and electrical equipment maintenance and sales. | 100.00 | 100.00 | Note 8 |
| Finesse Technology Co., Ltd. | Highlight Tech System International Limited | A holding company that invests in businesses in Mainland China | 100.00 | 100.00 | Note 8 |
| Highlight Tech System International Limited | Highlight Tech System (Shanghai) Corp. | Mechanical equipment manufacturing, electronic component design, manufacturing wholesale and retail | 100.00 | 100.00 | Note 8 |

Note 1: As the Company is the single largest shareholder of Finesse Technology Co., Ltd., and both parties' number of some board directorships and key management are the same, the control is acquired, and Finesse Technology is listed as a subsidiary. Due to personnel changes in the Company's key management, and following a comprehensive reassessment of the key management and board directorships, it has been determined that control over Finesse Technology had been lost since Jan. 1, 2026.

Note 2: In 2024, Finesse Technology Co., Ltd. made several capital increases in cash, but the Company did not subscribe according to the shareholding ratio, resulting in a decrease in the Company's shareholding ratio from 33.29% to 30.32%. In 2025, Finesse Technology Co., Ltd. repurchased treasury shares and employees exercised stock options, resulting in a decrease in the Company's shareholding ratio from 30.32% to 30.17%.

Note 3: In the first quarter of 2025, the Company established TetraTrio Tech Co., Ltd. as a subsidiary through a cash investment, acquiring a 75% equity interest.

Note 4: In the third quarter of 2025, the Company established Highlight Tech US LLC as a subsidiary through a cash investment, acquiring a 100% equity interest.

Note 5: In the third quarter of 2024 and during 2025, the Company acquired non-controlling interests in its subsidiary, Schmidt Scientific Taiwan Ltd., in cash, so its shareholding ratio increased from 57.17% to 60.96% and 61.12%, respectively. Please refer to Note 6(27) for details.

Note 6: The Group acquired 100% of equity interest and gained control over Litho Med Trading Co., Ltd. in July 2024. Please refer to the details in Note 6(28).

Note 7: In the fourth quarter of 2025, the subsidiary Finesse Technology Co., Ltd. established Seiki Semiconductor Co., Ltd. as a subsidiary through a cash investment, acquiring a 52.78% equity interest.

Note 8: The financial statements for the years ended Dec. 31, 2025 and 2024 were audited by the CPAs appointed by these companies.

Note 9: The financial statements for the year ended Dec. 31, 2025 were audited by the CPAs appointed by these companies.

- C. Subsidiaries not included in the consolidated financial statement: None.
- D. Adjustment and treatment methods of subsidiaries' different accounting periods: None.
- E. Major restrictions: None.
- F. Subsidiaries with non-controlling interests that are material to the Group

The Group's total non-controlling interests as of Dec. 31, 2025 and 2024 were \$865,743 and \$846,171, respectively. The information on the non-controlling interests that are material to the Group and its subsidiaries is as follows:

| Name of subsidiary | Principal business premises | Non-controlling interests | | | |
|------------------------------|-----------------------------|---------------------------|------------------|---------------|------------------|
| | | Dec. 31, 2025 | | Dec. 31, 2024 | |
| | | Amount | Shareholding (%) | Amount | Shareholding (%) |
| Finesse Technology Co., Ltd. | Taiwan | \$ 813,451 | 69.83% | \$ 818,121 | 69.68% |

Aggregate financial information of subsidiaries:

Balance sheet

| | Finesse Technology Co., Ltd. and its Subsidiaries | |
|-------------------------|---|---------------|
| | Dec. 31, 2025 | Dec. 31, 2024 |
| Current assets | \$ 964,066 | \$ 1,034,599 |
| Non-current assets | 354,043 | 353,294 |
| Current liabilities | (136,570) | (194,017) |
| Non-current liabilities | (16,844) | (19,765) |
| Total net assets | \$ 1,164,695 | \$ 1,174,111 |

Statement of comprehensive income

| | Finesse Technology Co., Ltd. and its Subsidiaries | |
|--|---|------------|
| | For the Years Ended Dec. 31 | |
| | 2025 | 2024 |
| Revenue | \$ 671,073 | \$ 760,258 |
| Net income before tax | 77,539 | 109,671 |
| Income tax expense | (9,294) | (20,123) |
| Net income | 68,245 | 89,548 |
| Other comprehensive income (net amount after tax) | (2,656) | 4,563 |
| Total comprehensive income | \$ 65,589 | \$ 94,111 |
| Total comprehensive income attributable to non-controlling interests | (\$ 1,267) | \$ 62,781 |
| Payment of dividends to non-controlling interests | \$ 54,298 | \$ 57,159 |

Statement of cash flows

| | Finesse Technology Co., Ltd. and its Subsidiaries | |
|---|---|------------|
| | For the Years Ended Dec. 31 | |
| | 2025 | 2024 |
| Net cash inflow from operating activities | \$ 94,995 | \$ 101,288 |
| Net cash inflow (outflow) from investing activities | (176,369) | (23,288) |

| | Finesse Technology Co., Ltd. and its Subsidiaries | |
|--|---|------------|
| | For the Years Ended Dec. 31 | |
| | 2025 | 2024 |
| Net cash (outflow) inflow from financing activities | (85,993) | 142,880 |
| Effect of changes in exchange rates on cash and cash equivalents | (1,251) | 3,511 |
| Increase (decrease) in cash and cash equivalents during the period | (168,618) | 224,391 |
| Opening balance of cash and cash equivalents | 548,412 | 324,021 |
| Ending balance of cash and cash equivalents | \$ 379,794 | \$ 548,412 |

(4) Foreign currency translation

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates business (i.e. “functional currency”). The consolidated financial statements are presented in New Taiwan dollars (NTD), which is the Company’s functional currency.

A. Foreign currency transactions and balances

- (A) Each foreign currency transaction is translated into the functional currency at the spot exchange rate prevailing on the transaction date or the measurement date, and the exchange difference arising from the translation of the transaction is recognized in current profit or loss.
- (B) The balance of foreign currency monetary assets and liabilities is adjusted at the spot exchange rate prevailing on the balance sheet date, and the translation difference arising from the adjustment is recognized in current profit or loss.
- (C) The balance of foreign currency non-monetary assets and liabilities is measured at fair value through profit or loss and adjusted at the spot exchange rate prevailing on the balance sheet date. The translation difference arising from the adjustment is recognized in current profit or loss. Those measured at fair value through other comprehensive income are adjusted at the spot exchange rate prevailing on the balance sheet date, and the translation difference arising from the adjustment is recognized in other comprehensive income. If it is not measured at fair value, it is measured at the historical exchange rate prevailing at the initial transaction date.
- (D) All exchange gains and losses are presented in the “Other gains and losses” of the income statement.

B. Translation of foreign operations

The operating results and financial position of all entities of the Group that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (A) Assets and liabilities presented in each balance sheet are translated at the closing exchange rate at the date of that balance sheet;
- (B) Income and expenses in each statement of comprehensive income are translated at the average exchange rates of the period; and
- (C) All resulting exchange differences are recognized in other comprehensive income.

(5) Criteria for classification of current and non-current assets and liabilities

A. Assets that meet one of the following criteria are classified as current assets:

- (A) Assets expected to be realized in the ordinary course of business, or intended to be sold or consumed.
- (B) Assets held primarily for the purpose of trading.
- (C) Assets expected to be realized within 12 months after the balance sheet date.
- (D) Cash or cash equivalents (excluding assets restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period).

The Group classifies all assets that do not meet the criteria above as non-current.

B. Liabilities that meet one of the following criteria are classified as current liabilities:

- (A) Liabilities expected to be settled in the ordinary course of business.
- (B) Liabilities held primarily for the purpose of trading.
- (C) Liabilities expected to be settled within 12 months after the reporting period.
- (D) Liabilities with a repayment deadline that cannot be deferred for at least 12 months after the balance sheet date.

The Group classifies all liabilities that do not meet the criteria above as non-current.

(6) Cash equivalents

Cash equivalents refer to short-term and highly liquid investments that can be converted into a certain amount of cash at any time and the risk of value changes is very small. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.

- B. The Group adopts trade date accounting for financial assets at fair value through profit or loss for regular-way transactions.
 - C. Upon the initial recognition, the Group measures relevant transaction costs at fair value and recognizes them in profit or loss, while measuring them at fair value and recognizing gain or loss thereon in profit or loss.
 - D. When the right to receive dividends is determined, economic benefits related to dividends are likely to flow in, and when the amount of dividends can be reliably measured, the Group recognizes dividend income in profit or loss.
- (8) Financial assets at fair value through other comprehensive income
- A. The Group made an irrevocable election upon initial recognition to recognize changes in the fair values of equity instrument investments not held for trading in other comprehensive income.
 - B. The Group adopts trade date accounting for financial assets at fair value through other comprehensive income for regular-way transactions.
 - C. The Group measures said asset at fair value plus transaction costs upon initial recognition, which are subsequently measured at fair value:

Changes in the fair values of equity instruments are recognized in other comprehensive income. Upon derecognition, the cumulative gains or losses previously recognized in other comprehensive income should not be subsequently reclassified to profit or loss and should be transferred to retained earnings instead. When the right to receive dividends is determined, economic benefits related to dividends are likely to flow in, and when the amount of dividends can be reliably measured, the Group recognizes dividend income in profit or loss.
- (9) Financial assets at amortized cost
- A. Where the financial assets have met both the following criteria:
 - (A) Financial assets held under the operational model for the purpose of collecting contractual cash flows.
 - (B) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments for the principal and interest on the principal amount outstanding.
 - B. The Group adopts trade date accounting for financial assets at amortized cost for regular-way transactions.

- C. The Group measures the said asset at fair value plus transaction costs upon initial recognition and subsequently recognizes it in interest income and impairment loss using the effective interest method based on the amortization procedure during the outstanding period. Upon derecognition, such gains or losses are recognized in profit or loss.
- D. The Group holds time deposits not in line with the definition of cash equivalents. With the short holding period, the effect of discounting is not material, and it is measured at the amount of investment.

(10) Accounts and notes receivable

- A. It refers to accounts and notes that have been unconditionally received in exchange for the right to the amount of consideration for the delivery of goods or services as agreed in the contract.
- B. The non-interest-bearing short-term accounts and notes receivable is barely affected by discounting, so the Group measures them at the original invoice amount.

(11) Impairment of financial assets

The Group, at each balance sheet date, considers all reasonable and corroborative information (including forward-looking one) for the financial assets at amortized cost. For those with no significant increase in credit risk since initial recognition, an allowance for losses is measured at 12-month expected credit losses; for those with a significant increase in credit risk since initial recognition, an allowance for losses is measured at the lifetime expected credit losses. For accounts receivable or contract assets that do not contain significant financial components, an allowance for losses is measured at the lifetime expected credit losses.

(12) Derecognition of financial assets

The Group derecognizes a financial asset when its contractual rights to receive the cash flows from the financial asset expire.

(13) Lessor's lease transactions - lease receivables/operating leases

Lease income from operating leases, net of any incentives given to the lessee, is amortized on a straight-line basis over the lease term and recognized as current profit or loss.

(14) Inventories

Inventories are measured at the lower of cost or net realizable value, and cost is determined using the weighted average method. The costs of finished goods and work in progress include raw materials, direct labor, other direct costs, and related production overheads, while excluding borrowing costs. When the cost and the net realizable value are compared to see which is lower,

an item-by-item comparison method is adopted. The net realizable value refers to the balance of the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

(15) Non-current assets held for sale

When the carrying amount of a non-current asset is to be recovered principally through a sale transaction rather than through continuing use, and a sale is highly probable, the asset is classified as held for sale and measured at the lower of its carrying amount and fair value less costs to sell.

(16) Investments accounted for using the equity method - associates

- A. Associates are all entities, over which the Group has significant influence but no control. In general, if an investor holds, directly or indirectly, 20% or more of the voting shares of an investee, it has significant influence over the investee. Investments in associates are accounted for using the equity method and are recognized at cost upon acquisition.
- B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition other comprehensive income is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its equity in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's shareholding in the associate, the Group recognizes the share of changes in its equity in the associate in "Capital surplus" in proportion to its shareholding.
- D. Unrealized gains or losses on transactions between the Group and its associates are eliminated in proportion to its shareholdings in the associates. Unrealized losses are also eliminated unless there is evidence that the assets transferred in such transactions have been impaired. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- E. When the Group disposes of an associate, if it loses significant impact on the associate, the accounting treatment for all amounts previously recognized in other comprehensive income related to the associate shall be the same as if the Group directly disposes of the related assets or liabilities, that is, if the profits or losses previously recognized in other comprehensive income will be reclassified as profit or loss when disposing of the related assets or liabilities, then when the significant impact on the related enterprise is lost, such

profits or losses will be reclassified from equity as profit or loss. If there is still a significant impact on the associate, only the amount previously recognized in other comprehensive income shall be transferred out in proportion as described above.

- F. When the Group disposes of an associate, if it loses significant impact on the associate, the capital surplus related to the associate will be transferred to profit or loss; If it still has a significant impact on the associate, it shall be transferred to profit or loss according to the proportion of disposal.
- G. At the balance sheet date, the Group performs impairment tests on associates for which there are indications of impairment. This involves treating the aggregate carrying amount of the investment (including goodwill) as a single asset and comparing its recoverable amount (the higher of its value in use or fair value less cost of disposal) with its carrying amount. Any impairment loss recognized is included in the carrying amount of the investment. The reversal of an impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

(17) Property, plant and equipment

- A. Property, plant and equipment are initially recognized at cost, and the relevant interest accrued during the acquisition and construction period is capitalized.
- B. Subsequent costs are included in the carrying amount of an asset or recognized as a separate asset only when it is probable that the future economic benefits related to the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of the part replaced should be derecognized. All other maintenance costs are recognized in current profit or loss when incurred.
- C. The property, plant and equipment are subsequently measured at cost. Except for land that is not depreciated, assets are depreciated on a straight-line basis based on the estimated useful lives. If the components of property, plant, and equipment are significant, they are separately depreciated.
- D. The Group reviews at the end of each year the estimated useful lives, residual value, and depreciation methods of each asset every year. If the estimated residual value and useful lives are different from the previous estimates, or the expected consumption pattern of future economic benefits contained in an asset has changed significantly, the Group should adjust it in accordance with IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” regarding changes in accounting estimates. The useful life of each asset is as follows:

| | |
|---------------------------|------------|
| Buildings, and structures | 5-50 years |
|---------------------------|------------|

| | |
|--------------------------|------------|
| Machinery and equipment | 2-21 years |
| Transportation equipment | 5-6 years |
| Office equipment | 3-15 years |
| Leasehold improvements | 2-10 years |
| Other equipment | 2-30 years |

(18) Lessee's lease transactions- right-of-use assets/lease liabilities

- A. Leased assets are recognized in right-of-use assets and lease liabilities on the date they are available for use by the Group. When a lease contract is a short-term lease or lease of a low-value asset, the lease payment is recognized as an expense during the lease term using the straight-line method.
- B. Lease liabilities are recognized at the present value of unpaid lease payments discounted at the Group's incremental borrowing rate on the lease commencement date, and the lease payment includes fixed payments.

Subsequently, an interest approach is adopted to measure said payments at amortized cost, and interest expenses are recognized over the lease term. When changes in the lease term or lease payment due to non-contract modification, the lease liabilities will be reassessed and the right-of-use assets will be adjusted based on the remeasurement.

- C. A right-of-use asset is recognized at cost at the commencement date of a lease, and the costs include:
 - (A) The amounts of lease liabilities initially measured;
 - (B) Any lease payments made at or before the commencement date;

Subsequently, such an asset is measured at cost and recognized in depreciation expenses when the useful life of the right-of-use asset expires or the lease term expires, whichever is earlier. When a lease liability is reassessed, the remeasurement of the lease liability will be adjusted for the right-of-use asset.

- D. As for a reduced lease scope of leasehold modification, the lessee reduces the carrying amount of a right-of-use asset to reflect the partial or full termination of a lease and recognizes the difference between the amount and the remeasured amount of the lease liability in profit or loss. For all other leasehold modifications, the remeasured amount of the lease liability will be used to adjust the right-of-use asset accordingly.

(19) Intangible assets

A. Computer software

Computer software is recognized at acquisition cost and amortized over the estimated useful life of 1 to 20 years on a straight-line basis.

B. Goodwill

Goodwill arises as a result of business combination using an acquisition method.

(20) Impairment of non-financial assets

A. The Group estimates the recoverable amount of assets with signs of impairment on the balance sheet date. When the recoverable amount is lower than its carrying amount, it is recognized in impairment loss. The recoverable amount refers to the fair value of an asset, less the cost of disposal or its value in use, whichever is higher. Except for goodwill, when asset impairment recognized in prior years does no longer exist or decreases, the impairment loss will be reversed. However, the increase in the carrying amount of the asset due to the reversal of the impairment loss should not exceed the carrying amount of the asset, less depreciation or amortization, if no impairment loss had been recognized.

B. The recoverable amounts of goodwill, intangible assets with an indefinite useful life, and intangible assets that have not yet been available for use are estimated regularly. An impairment loss is recognized for the amount by which the carrying amount of an asset exceeds its recoverable amount. Impairment loss of goodwill is not reversed in the following years.

C. For the purpose of impairment testing, goodwill is allocated to the cash-generating units. Based on the operating segments identified, goodwill is allocated to each cash-generating unit or group of cash-generating units that is expected to benefit from the business combination, in which the goodwill arises.

(21) Borrowings

It refers to long-term and short-term borrowings from banks. Borrowings are recognized initially at fair value, net of transaction costs incurred, and any subsequent difference between the amount, less transaction costs, and the value of redemption is recognized in interest expenses under profit or loss using an effective interest method during the outstanding period according to the amortization procedure.

(22) Accounts and notes payable

- A. It refers to debts arising from the purchase of raw materials, merchandise, or services on credit, and notes payable arising from business and non-business activities.
- B. The non-interest-bearing short-term accounts and notes payable are barely affected by discounting, so the Group measures them at the original invoice amounts.

(23) Derecognition of financial liabilities

The Group derecognizes the financial liabilities when the obligations specified in a contract are fulfilled, canceled, or expired.

(24) Provisions

A provision (warranty) is recognized when there is a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

(25) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured by the expected non-discounted amount of cash paid, and are recognized as expenses when the relevant services are provided.

B. Pension

(A) Defined contribution plans

Regarding the defined contribution plan, the amount of the pension fund that should be contributed is recognized as current pension cost on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(B) Defined benefit plans

- a. The net obligation under the defined benefit plan is calculated by discounting the amount of future benefits earned by employees in the current or past service period, with the present value of the defined benefit obligation on the balance sheet date, less the fair value of the plan assets. The net defined benefit obligation is calculated annually by independent actuaries using a projected unit credit method. The market yield of government bonds (on the balance sheet date) is adopted for the discount rate.
- b. The remeasurement of the defined benefit plan is recognized in other comprehensive income in the current period and presented in retained earnings.

c. Expenses related to the past service costs are recognized immediately in profit or loss.

C. Employee compensation and director and supervisor remuneration

Employee compensation and director and supervisor remuneration are recognized in expenses and liabilities when there are legal or constructive obligations and the amount can be reasonably estimated. If there is a difference between the amount actually distributed as resolved and the estimated amount, it is treated as a change in accounting estimates.

(26) Employee share-based payments

As for equity-settled share-based payment agreements, employee services received are measured at the fair value of the equity instruments granted on the date of payment and are recognized as compensation costs during the vesting period, with a corresponding adjustment to equity. The fair value of equity instruments should reflect the effects of both vesting and non-vesting conditions on market prices. The compensation costs recognized are adjusted based on the amount of rewards expected to meet service conditions and non-market vesting conditions until the final amount recognized is based on the amount vested on the vesting date.

(27) Income tax

A. Income tax expenses include the current income and deferred taxes. Except for income tax related to items included in other comprehensive income or directly included in equity recognized in comprehensive income or in equity directly, income tax is recognized in profit or loss.

B. The Group calculates current income tax at the tax rates that have been enacted or substantively enacted at the balance sheet date in the country where business is operated or taxable income is generated. The management regularly evaluates the status of income tax filings with respect to applicable income tax regulations and, where applicable, estimates the income tax liabilities based on the taxes expected to be paid to the tax authority. A surtax is imposed on the undistributed earnings in accordance with the Income Tax Act. In the year following the year in which the earnings are generated, after the shareholders' meeting has passed the earnings distribution proposal, the income tax expense on the undistributed earnings will be recognized based on the earnings actually distributed.

C. Deferred tax is recognized, using the balance sheet liability method, for the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. Deferred tax liabilities from goodwill arising from initial recognition are not recognized. If the deferred tax is derived from the initial recognition of an asset or liability in a transaction (excluding business combinations), and if the accounting profit or

taxable income (tax losses) is not affected without equivalent taxable and deductible temporary differences arising at the time of the transaction, then the liabilities will not be recognized. If there are temporary differences arising from investments in subsidiaries and associates, the Group can control the time, at which the temporary differences are reversed, and if it is probable that the temporary differences will not reverse in the foreseeable future, they will not be recognized. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the relevant deferred tax asset is realized or the deferred tax liability is settled.

- D. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred tax assets are reassessed.

(28) Share capital

Ordinary shares are classified as equity. The incremental cost directly attributable to the issuance of new shares or stock options are listed in equity as a deduction, net of tax, from the proceeds.

(29) Dividend distribution

Dividends are recognized in the Company's financial statements in the period in which they are approved to be distributed as resolved by the Company's board of directors. Cash dividends are recognized as liabilities. Stock dividends are recognized as stock dividends to be allotted and reclassified to ordinary shares on the record date of issuance of new shares.

(30) Revenue recognition

A. Merchandise sales revenue

When the products are delivered to the location designated by customers, customers have the right to determine the price and the way the products are used while bearing the main responsibility for resale and the risk of obsolescence, upon which revenue and accounts receivable/contract assets are recognized by the Group and transferred to accounts receivable when the remaining obligations are satisfied.

B. Service income

Service income comes from the provision of maintenance and cleaning services. The Group's contract to perform maintenance and cleaning is to create or strengthen assets for the customer. The Group accounts for a contract with a customer when the agreement creates enforceable rights and obligations under the law. The Group measures the completion progress based on the committed costs to the estimated total costs. As the

payment should be made by a customer upon acceptance as agreed in such a contract, the Group recognizes the service provided in contract assets. Consequently, the related revenue is recognized in accounts receivable when services are rendered.

(31) Business combination

- A. The Group adopts the acquisition method for business combinations. The consideration for business combinations is calculated at the fair values of the assets transferred, liabilities incurred or assumed, and equity instruments issued. The consideration for transfer includes the fair values of any assets and liabilities arising from contingent consideration agreements. Acquisition-related costs are recognized as expenses when incurred. Identifiable assets acquired and liabilities assumed in a business combination are measured at their fair values on the date of acquisition. The Group takes individual acquisition transactions as the basis; if the components of the non-controlling interests are part of the present ownership interests and the holder is entitled to the net assets of the acquiree on a pro rata basis when liquidation occurs, the non-controlling interests are measured at fair value on the acquisition date or as a ratio of non-controlling interests to the acquiree's identifiable net assets; all other components of non-controlling interests are measured at fair value on the acquisition date.
- B. If the total fair value of the consideration for transfer, the non-controlling interests of the acquiree, and the previously held interests in the acquiree exceeds that of the identifiable assets acquired and liabilities assumed, it is recognized as goodwill on the acquisition date. If the latter exceeds the former, the difference is recognized as current profit or loss on the acquisition date.

(32) Operating segments

The Group's information on operating segments is reported in a manner consistent with the internal reports provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources to the operating segments and assessing their performance. The Group's chief operating decision-maker has been identified as the board of directors.

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

(1) Critical judgments for applying the accounting policies

The accounting policies adopted by the Group does not involve critical accounting judgments.

(2) Critical accounting estimates and assumptions

Inventory valuation

As inventory must be calculated at the lower of cost or net realizable value, the Group must exercise judgment and make estimation to determine the net realizable value of inventory on the balance sheet date. Due to the rapid changes in technology, the Group assesses the value of inventory due to normal wear and tear, obsolescence, or market sales value not available on the balance sheet date, and reduces the cost of inventory to the net realizable value. The inventory valuation was mainly based on the estimated product demand in a specific future period, so significant changes may occur.

As of Dec. 31, 2025, the carrying amount of the Group's inventory was \$1,561,123.

6. Summary of Significant Accounting Titles

(1) Cash and cash equivalents

| | Dec. 31, 2025 | Dec. 31, 2024 |
|------------------------------------|-------------------|---------------------|
| Cash on hand and petty cash | \$ 930 | \$ 1,064 |
| Check deposits and demand deposits | 779,424 | 1,201,064 |
| Time deposits | 157,158 | 30,000 |
| | <u>\$ 937,512</u> | <u>\$ 1,232,128</u> |

A. The financial institutions the Group works with have great credit ratings. The Group also works with various financial institutions at the same time to diversify credit risks. Therefore, the probability of default is expected to be low.

B. The Group did not pledge cash or cash equivalents.

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

| Item | Dec. 31, 2025 | Dec. 31, 2024 |
|--|-----------------|-----------------|
| Non-current items: | | |
| Equity instruments | | |
| Non-TWSE/TPEX listed stocks and stocks not listed on the emerging stock market | <u>\$ 6,007</u> | <u>\$ 6,007</u> |

(3) Financial assets at amortized cost

| Item | Dec. 31, 2025 | Dec. 31, 2024 |
|---|-------------------|------------------|
| Current items: | | |
| Time deposits with original maturity date of more than 3 months | <u>\$ 167,666</u> | <u>\$ 21,942</u> |
| Non-current items: | | |

| Item | Dec. 31, 2025 | Dec. 31, 2024 |
|---|---------------|---------------|
| Time deposits with original maturity date of more than 1 year | \$ 17,886 | \$ 18,243 |

- A. With the collateral or other credit enhancements held aside, the maximum amounts of the exposures to the credit risk arising from the Group's financial assets at amortized cost as of Dec. 31, 2025 and 2024 were equivalent to their carrying amounts, respectively.
- B. Please refer to Note 8 for information on how the Group pledged financial assets at amortized cost as collateral.
- C. Please refer to Note 12(2) for information on the credit risk of financial assets at amortized cost. The trading counterparties of the Group's certificates of deposit are all financial institutions with great credit quality, and the probability of default is expected to be low.
- (4) Notes and accounts receivable

| | Dec. 31, 2025 | Dec. 31, 2024 |
|---|---------------|---------------|
| Notes receivable | \$ 8,898 | \$ 37,861 |
| Accounts receivable | \$ 659,947 | \$ 833,097 |
| Less: Allowance for uncollectible amounts | (38,871) | (25,882) |
| | \$ 621,076 | \$ 807,215 |

- A. Please refer to Note 12(2) for information on an aging analysis of accounts and notes receivable.
- B. The balances of accounts and notes receivable as of Dec. 31, 2025 and 2024 were all from contracts with customers. In addition, the balance of receivables from the contracts with customers as of Jan. 1, 2024 was \$952,200.
- C. With the collateral or other credit enhancements held aside, the maximum amounts of the exposures to the credit risk arising from the Group's notes and accounts receivable as of Dec. 31, 2025 and 2024 were equivalent to their carrying amounts, respectively.
- (5) Inventories

| | Dec. 31, 2025 | | |
|------------------|---------------|--------------------------------|-----------------|
| | Costs | Allowance for valuation losses | Carrying amount |
| Raw materials | \$ 511,230 | (\$ 58,743) | \$ 452,487 |
| Work in progress | 401,924 | (21,952) | 379,972 |
| Finished goods | 451,825 | (30,411) | 421,414 |
| Merchandise | 321,421 | (14,171) | 307,250 |
| | \$ 1,686,400 | (\$ 125,277) | \$ 1,561,123 |

| | Dec. 31, 2024 | | |
|------------------|---------------------|-----------------------------------|---------------------|
| | Costs | Allowance for valuation losses | Carrying amount |
| Raw materials | \$ 481,373 | (\$ 55,609) | \$ 425,764 |
| Work in progress | 286,684 | (14,942) | 271,742 |
| Finished goods | 491,673 | (34,948) | 456,725 |
| Merchandise | 185,079 | (14,270) | 170,809 |
| | <u>\$ 1,444,809</u> | <u>(\$ 119,769)</u> | <u>\$ 1,325,040</u> |

The inventory costs recognized by the Group in expenses for this period:

| | For the Years Ended Dec. 31 | |
|----------------------------|-----------------------------|---------------------|
| | 2025 | 2024 |
| Cost of inventory sold | \$ 2,466,414 | \$ 2,513,687 |
| Inventory valuation losses | 5,508 | 36,225 |
| Others | 30,489 | 24,551 |
| | <u>\$ 2,502,411</u> | <u>\$ 2,574,463</u> |

(6) Non-current assets held for sale

On May 8, 2025, the board of directors resolved to dispose of a portion of the land the Company holds under Land Parcel No. 3, Xinjing Section, Xinshi District, Tainan City, and Land Parcel No. 6, Shanjing Section, Shanhua District, Tainan City, in order to activate assets and increase the efficiency of capital utilization. Non-current assets held for sale amounted to \$240,390 as of Dec. 31, 2025.

A. Non-current assets held for sale:

| | Dec. 31, 2025 |
|------|-------------------|
| Land | <u>\$ 240,390</u> |

B. After assessment, the carrying amount of the non-current assets held for sale was lower than their fair value less costs to sell. As a result, no impairment was recognized.

(7) Investments accounted for using equity method

| | For the Years Ended Dec. 31 | |
|---|-----------------------------|-------------------|
| | 2025 | 2024 |
| Jan. 1 | \$ 215,723 | \$ 210,286 |
| Disposal of investments accounted for using the equity method | (9,098) | - |
| Share of investment income and loss using the equity method | 16,710 | 4,116 |
| Issue of cash dividends | (6,531) | - |
| Changes in other equity interests | 167 | 1,321 |
| Dec. 31 | <u>\$ 216,971</u> | <u>\$ 215,723</u> |
| | Dec. 31, 2025 | Dec. 31, 2024 |
| Associate: | | |
| Htc & Solar Tech Service Limited | <u>\$ 216,971</u> | <u>\$ 215,723</u> |

- A. In 2025, the Group disposed of 516,500 shares of Htc & Solar Tech Service Limited for a price of \$13,389 and recognized a gain on the disposal of investments of \$4,291 (listed under other gains or losses).
- B. The above associates are not material to the Group.

(8) Property, plant and equipment

2025

| | Land | Buildings, and structures | Machinery and equipment | Transportation equipment | Office equipment | Leasehold improvements | Others | Construction in progress and equipment to be inspected | Total |
|--------------------------|---------------------|---------------------------|-------------------------|--------------------------|------------------|------------------------|-------------------|--|---------------------|
| Jan. 1 | | | | | | | | | |
| Costs | \$ 1,169,343 | \$ 2,270,620 | \$ 812,019 | \$ 6,732 | \$ 49,824 | \$ 18,184 | \$ 335,633 | \$ 83,316 | \$ 4,745,671 |
| Accumulated depreciation | - | (649,973) | (438,853) | (4,032) | (33,469) | (10,852) | (132,099) | - | (1,269,278) |
| | <u>\$ 1,169,343</u> | <u>\$ 1,620,647</u> | <u>\$ 373,166</u> | <u>\$ 2,700</u> | <u>\$ 16,355</u> | <u>\$ 7,332</u> | <u>\$ 203,534</u> | <u>\$ 83,316</u> | <u>\$ 3,476,393</u> |
| Jan. 1 | \$ 1,169,343 | \$ 1,620,647 | \$ 373,166 | \$ 2,700 | \$ 16,355 | \$ 7,332 | \$ 203,534 | \$ 83,316 | \$ 3,476,393 |
| Additions | - | 14,703 | 39,841 | 1,378 | 2,121 | 6,779 | 28,554 | 6,463 | 99,839 |
| Disposal | - | - | (14) | - | - | - | - | - | (14) |
| Transfer | (240,390) | 34,605 | 61,184 | 1,992 | - | 45,827 | 31,695 | (86,078) | (151,165) |
| Depreciation expenses | - | (84,771) | (82,318) | (1,143) | (3,867) | (2,700) | (44,160) | - | (218,959) |
| Net exchange difference | - | (2,103) | (356) | (69) | (141) | (550) | (1,345) | (2,217) | (6,781) |
| Dec. 31 | <u>\$ 928,953</u> | <u>\$ 1,583,081</u> | <u>\$ 391,503</u> | <u>\$ 4,858</u> | <u>\$ 14,468</u> | <u>\$ 56,688</u> | <u>\$ 218,278</u> | <u>\$ 1,484</u> | <u>\$ 3,199,313</u> |
| Dec. 31 | | | | | | | | | |
| Costs | \$ 928,953 | \$ 2,309,671 | \$ 850,819 | \$ 9,958 | \$ 49,426 | \$ 70,203 | \$ 389,550 | \$ 1,484 | \$ 4,610,064 |
| Accumulated depreciation | - | (726,590) | (459,316) | (5,100) | (34,958) | (13,515) | (171,272) | - | (1,410,751) |
| | <u>\$ 928,953</u> | <u>\$ 1,583,081</u> | <u>\$ 391,503</u> | <u>\$ 4,858</u> | <u>\$ 14,468</u> | <u>\$ 56,688</u> | <u>\$ 218,278</u> | <u>\$ 1,484</u> | <u>\$ 3,199,313</u> |

2024

| | Land | Buildings, and structures | Machinery and equipment | Transportation equipment | Office equipment | Leasehold improvements | Others | Construction in progress and equipment to be inspected | Total |
|--|---------------------|---------------------------|-------------------------|--------------------------|------------------|------------------------|-------------------|--|---------------------|
| Jan. 1 | | | | | | | | | |
| Costs | \$ 1,169,343 | \$ 2,226,309 | \$ 719,714 | \$ 7,396 | \$ 45,380 | \$ 18,034 | \$ 194,033 | \$ 8,077 | \$ 4,388,286 |
| Accumulated depreciation | - | (543,616) | (393,767) | (3,809) | (28,925) | (9,266) | (101,109) | - | (1,080,492) |
| | <u>\$ 1,169,343</u> | <u>\$ 1,682,693</u> | <u>\$ 325,947</u> | <u>\$ 3,587</u> | <u>\$ 16,455</u> | <u>\$ 8,768</u> | <u>\$ 92,924</u> | <u>\$ 8,077</u> | <u>\$ 3,307,794</u> |
| Jan. 1 | \$ 1,169,343 | \$ 1,682,693 | \$ 325,947 | \$ 3,587 | \$ 16,455 | \$ 8,768 | \$ 92,924 | \$ 8,077 | \$ 3,307,794 |
| Additions | - | 10,700 | 58,878 | 692 | 3,382 | 150 | 31,813 | 89,458 | 195,073 |
| Acquired through business combinations | - | - | - | - | - | - | 70,000 | - | 70,000 |
| Disposal | - | - | (526) | (756) | (2) | - | - | - | (1,284) |
| Transfer | - | 7,376 | 67,907 | 149 | 1,678 | - | 40,977 | (13,742) | 104,345 |
| Depreciation expenses | - | (85,034) | (80,024) | (1,120) | (5,335) | (1,586) | (33,449) | - | (206,548) |
| Net exchange difference | - | 4,912 | 984 | 148 | 177 | - | 1,269 | (477) | 7,013 |
| Dec. 31 | <u>\$ 1,169,343</u> | <u>\$ 1,620,647</u> | <u>\$ 373,166</u> | <u>\$ 2,700</u> | <u>\$ 16,355</u> | <u>\$ 7,332</u> | <u>\$ 203,534</u> | <u>\$ 83,316</u> | <u>\$ 3,476,393</u> |
| Dec. 31 | | | | | | | | | |
| Costs | \$ 1,169,343 | \$ 2,270,620 | \$ 812,019 | \$ 6,732 | \$ 49,824 | \$ 18,184 | \$ 335,633 | \$ 83,316 | \$ 4,745,671 |
| Accumulated depreciation | - | (649,973) | (438,853) | (4,032) | (33,469) | (10,852) | (132,099) | - | (1,269,278) |
| | <u>\$ 1,169,343</u> | <u>\$ 1,620,647</u> | <u>\$ 373,166</u> | <u>\$ 2,700</u> | <u>\$ 16,355</u> | <u>\$ 7,332</u> | <u>\$ 203,534</u> | <u>\$ 83,316</u> | <u>\$ 3,476,393</u> |

- A. Please refer to Note 8 for information on property, plant and equipment pledged as collateral.
- B. Transfers of the Group's property, plant and equipment in 2025, arose from inventories, non-current assets held for sale, and prepayments for equipment (listed under other non-current assets); transfers of the Group's property, plant and equipment in 2024, arose from prepayments for equipment (listed under other non-current assets).

(9) Lease transactions – lessee

- A. The assets leased by the Group included land, buildings, and company cars over lease terms of usually one to ten years. Each lease contract is negotiated individually and contains various terms and conditions, and no other restrictions are imposed except that the assets leased may not be used as collateral for loans.
- B. The information on the carrying amounts of the right-of-use assets and the depreciation expenses recognized is as follows:

| | Dec. 31, 2025 | Dec. 31, 2024 |
|--|------------------|-------------------|
| | Carrying amount | Carrying amount |
| Land | \$ 21,508 | \$ 23,564 |
| Buildings | 41,013 | 50,161 |
| Transportation equipment (company cars) | 26,972 | 27,941 |
| Other equipment | 1,102 | 1,343 |
| | <u>\$ 90,595</u> | <u>\$ 103,009</u> |

| | For the Years Ended Dec. 31 | |
|--|-----------------------------|-----------------------|
| | 2025 | 2024 |
| | Depreciation expenses | Depreciation expenses |
| Land | \$ 1,658 | \$ 1,642 |
| Buildings | 14,936 | 9,009 |
| Transportation equipment (company cars) | 16,563 | 13,658 |
| Other equipment | 240 | 100 |
| | <u>\$ 33,397</u> | <u>\$ 24,409</u> |

- C. The additions of the Group's right-of-use assets in 2025 and 2024 were \$23,791 and \$65,989, respectively.
- D. The information on the profit or loss items related to lease contracts is as follows:

| | For the Years Ended Dec. 31 | |
|--|-----------------------------|----------|
| | 2025 | 2024 |
| <u>Items affecting current profit or loss</u> | | |
| Interest expense on lease liability | \$ 1,715 | \$ 1,747 |
| Expenses related to short-term lease contracts | 3,124 | 4,574 |
| Expenses related to leasing of low-value assets | 1,861 | 2,794 |

- E. The Group's total cash outflows from leases in 2025 and 2024 were \$42,156 and \$31,545, respectively.

(10) Intangible assets

| | | 2025 | | | | |
|--------------------------|----|---------------|--------------------|-------------------|---------------------------|-------------------|
| | | Goodwill | Customer relations | Computer software | Professional technologies | Total |
| Jan. 1 | | | | | | |
| Costs | \$ | 51,471 | \$ 56,047 | \$ 82,250 | \$ 7,500 | \$ 197,268 |
| Accumulated amortization | | - | (50,877) | (41,402) | (7,254) | (99,533) |
| | \$ | <u>51,471</u> | <u>\$ 5,170</u> | <u>\$ 40,848</u> | <u>\$ 246</u> | <u>\$ 97,735</u> |
| Jan. 1 | \$ | 51,471 | \$ 5,170 | \$ 40,848 | \$ 246 | \$ 97,735 |
| Additions | | - | - | 38,581 | - | 38,581 |
| Reclassification | | - | - | 15,225 | - | 15,225 |
| Amortization expenses | | - | (1,034) | (15,226) | (246) | (16,506) |
| Net exchange difference | | - | - | 291 | - | 291 |
| Dec. 31 | \$ | <u>51,471</u> | <u>\$ 4,136</u> | <u>\$ 79,719</u> | <u>\$ -</u> | <u>\$ 135,326</u> |
| Dec. 31 | | | | | | |
| Costs | \$ | 51,471 | \$ 56,047 | \$ 132,093 | \$ 7,500 | \$ 247,111 |
| Accumulated amortization | | - | (51,911) | (52,374) | (7,500) | (111,785) |
| | \$ | <u>51,471</u> | <u>\$ 4,136</u> | <u>\$ 79,719</u> | <u>\$ -</u> | <u>\$ 135,326</u> |
| | | 2024 | | | | |
| | | Goodwill | Customer relations | Computer software | Professional technologies | Total |
| Jan. 1 | | | | | | |
| Costs | \$ | 51,471 | \$ 56,047 | \$ 70,217 | \$ 7,500 | \$ 185,235 |
| Accumulated amortization | | - | (49,844) | (24,653) | (6,772) | (81,269) |
| | \$ | <u>51,471</u> | <u>\$ 6,203</u> | <u>\$ 45,564</u> | <u>\$ 728</u> | <u>\$ 103,966</u> |
| Jan. 1 | \$ | 51,471 | \$ 6,203 | \$ 45,564 | \$ 728 | \$ 103,966 |
| Additions | | - | - | 13,784 | - | 13,784 |
| Amortization expenses | | - | (1,033) | (18,640) | (482) | (20,155) |
| Net exchange difference | | - | - | 140 | - | 140 |
| Dec. 31 | \$ | <u>51,471</u> | <u>\$ 5,170</u> | <u>\$ 40,848</u> | <u>\$ 246</u> | <u>\$ 97,735</u> |
| Dec. 31 | | | | | | |
| Costs | \$ | 51,471 | \$ 56,047 | \$ 82,250 | \$ 7,500 | \$ 197,268 |
| Accumulated amortization | | - | (50,877) | (41,402) | (7,254) | (99,533) |
| | \$ | <u>51,471</u> | <u>\$ 5,170</u> | <u>\$ 40,848</u> | <u>\$ 246</u> | <u>\$ 97,735</u> |

- A. The details of amortization of intangible assets are as follows:

| | For the Years Ended Dec. 31 | |
|-----------------------------------|-----------------------------|------------------|
| | 2025 | 2025 |
| Operating costs | \$ 4,545 | \$ 6,757 |
| Selling and marketing expenses | 1,446 | 1,885 |
| Administrative expenses | 4,837 | 4,366 |
| Research and development expenses | 5,678 | 7,147 |
| | <u>\$ 16,506</u> | <u>\$ 20,155</u> |

- B. The goodwill generated by the Group's acquisition of Finesse Technology Co., Ltd. came from the benefits brought by the expected benefits of the business integration and growth of mechanical equipment maintenance.
- C. The goodwill generated by the Group's acquisition of Shanorm Tech Co., Ltd. came from the expected benefits of the business integration and growth of vacuum pump maintenance as well as sales of used machines and spare parts.
- D. The Group did not recognize any impairment loss of goodwill for the years ended Dec. 31, 2025 and 2024.
- E. Goodwill allocated to the Group's cash-generating units identified by operating segments:

| | Dec. 31, 2025 | Dec. 31, 2024 |
|------------------------------|------------------|------------------|
| Finesse Technology Co., Ltd. | \$ 36,738 | \$ 36,738 |
| Shanorm Tech Co., Ltd. | 14,733 | 14,733 |
| | <u>\$ 51,471</u> | <u>\$ 51,471</u> |

- F. The Group's goodwill arising from mergers and acquisitions primarily reflects the expected benefits from revenue growth in the regions where the acquired companies operate and from their product and customer relationships. In accordance with IAS 36, goodwill acquired in mergers and acquisitions must be tested for impairment at least annually. The impairment test for goodwill involves allocating the goodwill to the cash-generating units expected to benefit from the mergers and acquisitions, each of which is a cash-generating unit capable of generating independent cash flows.

The recoverable amount for Finesse Technology Co., Ltd. is determined using fair value less costs to sell (since the closing price is from a centralized trading market, it is classified as Level 1 fair value); for Shanorm Tech Co., Ltd., the need for impairment is assessed based on value in use. The key assumptions used to calculate value in use are as follows:

| | Shanorm Tech Co., Ltd. | |
|---------------------|------------------------|--------|
| | 2025 | 2024 |
| Gross profit margin | 15.00% | 15.00% |

| | Shanorm Tech Co., Ltd. | |
|---------------------|------------------------|-------|
| | 2025 | 2024 |
| Revenue growth rate | 0.81% | 0.81% |
| Discount rate | 6.85% | 6.82% |

(11) Other non-current assets

| | Dec. 31, 2025 | Dec. 31, 2024 |
|-----------------------------------|------------------|------------------|
| Prepayment for land and equipment | \$ 23,102 | \$ 53,617 |
| Refundable deposits | 14,280 | 16,305 |
| Others | 860 | 817 |
| | <u>\$ 38,242</u> | <u>\$ 70,739</u> |

(12) Short-term borrowings

| Category of borrowings | Dec. 31, 2025 | Interest rate range | Collateral |
|------------------------|-------------------|---------------------|--------------------|
| Bank borrowings | | | |
| Secured borrowings | \$ 250,000 | 1.901% | Land and buildings |
| Credit borrowings | 502,380 | 1.85%~2.39% | - |
| | <u>\$ 752,380</u> | | |
| Category of borrowings | Dec. 31, 2024 | Interest rate range | Collateral |
| Bank borrowings | | | |
| Credit borrowings | <u>\$ 277,000</u> | 1.91%~2.231% | - |

(13) Other payables

| | Dec. 31, 2025 | Dec. 31, 2024 |
|---|-------------------|-------------------|
| Salaries and bonuses payable | \$ 146,178 | \$ 138,534 |
| Remuneration payable to directors, supervisors and employees | 49,603 | 74,377 |
| Equipment payable | 8,880 | 53,052 |
| Travel allowances payable to employees | 7,594 | 13,960 |
| Unused annual leave payable | 14,656 | 20,173 |
| Labor and health insurance expenses payable | 9,521 | 5,904 |
| Utility bill payable | 5,542 | 2,462 |
| Pension payable | 6,189 | 4,505 |
| Others | 95,393 | 91,645 |
| | <u>\$ 343,556</u> | <u>\$ 404,612</u> |

(14) Long-term borrowings

| Category of borrowings | Borrowing period and repayment method | Interest rate range | Collateral | Dec. 31, 2025 |
|---|--|---------------------|--------------------|---------------------|
| Long-term bank borrowings | | | | |
| Secured borrowings | From Feb. 26, 2020 through Feb. 26, 2040, and interest will be paid monthly. | 1.375%~ 2.075% | Land and buildings | \$ 1,338,825 |
| Credit borrowings | From Nov. 1, 2023 through Jul. 19, 2029, and interest will be paid monthly. | 1.72%~ 2.32% | - | <u>740,867</u> |
| | | | | 2,079,692 |
| Less: Long-term borrowings due within one year or one operating cycle | | | | <u>(822,152)</u> |
| | | | | <u>\$ 1,257,540</u> |

| Category of borrowings | Borrowing period and repayment method | Interest rate range | Collateral | Dec. 31, 2024 |
|---|--|---------------------|--------------------|---------------------|
| Long-term bank borrowings | | | | |
| Secured borrowings | From Feb. 26, 2020 through Feb. 26, 2040, and interest will be paid monthly. | 1.375%~ 2.075% | Land and buildings | \$ 1,806,673 |
| Credit borrowings | From Nov. 1, 2023 through Jul. 19, 2029, and interest will be paid monthly. | 1.72%~ 2.036% | - | <u>699,613</u> |
| | | | | 2,506,286 |
| Less: Long-term borrowings due within one year or one operating cycle | | | | <u>(641,028)</u> |
| | | | | <u>\$ 1,865,258</u> |

Please refer to Note 8 for information on collateral for long-term borrowings.

(15) Pension

A. Defined benefit plans

- (A) The Company and domestic subsidiaries established the defined benefit pension regulations in accordance with the Labor Standards Act, which were applicable to all formal employees who were employed prior to the enforcement of the Labor Pension Act on Jul. 1, 2005 and to the formal employees who still chose the old pension scheme under the Labor Standards Act after the Labor Pension Act took effect. Pension is paid to employees who have met the retirement criteria based on the

number of years of service and the average monthly salary of the last six months prior to retirement. Two units are granted for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. The Company makes a contribution, equal to 2% of the total salaries per month, to a pension fund and deposits it in the account in the name of the Labor Pension Funds Supervisory Committee with the Bank of Taiwan. In addition, the Company assesses the balance of the aforementioned labor pension reserve account at the end of each year. If the account balance is insufficient to pay the pension calculated in the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make a contribution to make up for the difference by the end of March of the following year.

(B) The amounts recognized on the balance sheet are as follows:

| | <u>Dec. 31, 2025</u> | <u>Dec. 31, 2024</u> |
|--|----------------------|----------------------|
| Present value of defined benefit obligations | \$ - | \$ 5,304 |
| Fair value of plan asset | - | (5,050) |
| Net defined benefit liabilities | <u>\$ -</u> | <u>\$ 254</u> |

(C) Changes in net defined benefit liabilities are as follows:

| | <u>For the Years Ended Dec. 31, 2025</u> | | |
|-------------------------------------|---|---------------------------------|--|
| | <u>Present value of defined benefit obligations</u> | <u>Fair value of plan asset</u> | <u>Net defined benefit liabilities</u> |
| Jan. 1 | \$ 5,304 | (\$ 5,050) | \$ 254 |
| Interest (expense) income | 1 | - | 1 |
| Service cost in the previous period | - | - | - |
| Settlement profit or loss | (5,305) | 5,105 | (200) |
| | <u>-</u> | <u>55</u> | <u>55</u> |
| Contribution of pension fund | - | (55) | (55) |
| Dec. 31 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

| | For the Years Ended Dec. 31, 2024 | | |
|--|--|-----------------------------|------------------------------------|
| | Present value of defined benefit obligations | Fair value of plan asset | Net defined benefit liabilities |
| Jan. 1 | \$ 5,730 | (\$ 4,488) | \$ 1,242 |
| Interest (expense) income | <u>68</u> | <u>(54)</u> | <u>14</u> |
| | <u>5,798</u> | <u>(4,542)</u> | <u>1,256</u> |
| Re-measurement: | | | |
| Return on plan asset | - | (398) | (398) |
| Effect of changes in financial assumptions | (203) | - | (203) |
| Experience adjustments | <u>(291)</u> | <u>-</u> | <u>(291)</u> |
| | <u>(494)</u> | <u>(398)</u> | <u>(892)</u> |
| Contribution of pension fund | <u>-</u> | <u>(110)</u> | <u>(110)</u> |
| Dec. 31 | <u>\$ 5,304</u> | <u>(\$ 5,050)</u> | <u>\$ 254</u> |

(D) The actuarial assumptions regarding pension fund are summarized as follows:

| | For the Years Ended Dec. 31, 2024 |
|-----------------------------|--------------------------------------|
| Discount rate | <u>1.65%</u> |
| Future salary increase rate | <u>2.00%</u> |

The assumption of future mortality rate is based on published statistics and empirical estimates from various countries.

The analysis of the present value of determined benefit obligations affected by changes in the main actuarial assumptions used is as follows:

| | Discount rate | | Future salary increase rate | |
|--|----------------------|----------------------|-----------------------------|----------------------|
| | Increase by 0.25% | Decrease by 0.25% | Increase by 0.25% | Decrease by 0.25% |
| Dec. 31, 2024 | | | | |
| Effect on present value of defined benefit obligations | <u>(\$ 109)</u> | <u>\$ 112</u> | <u>\$ 111</u> | <u>(\$ 109)</u> |

The sensitivity analysis mentioned above is based on analyzing the impact of a single assumption change while keeping other assumptions constant. In practice, many assumption changes may be interconnected. Sensitivity analysis method is consistent with the method used to calculate net pension fund liabilities on the balance sheet.

- (E) The Group's pension costs under the above pension plan for 2025 and 2024 were \$1 and \$ 14, respectively.
- (F) The Group settled the labor pension reserve account in 2025.

B. Defined contribution plans

- (A) Effective on Jul. 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan under the Labor Pension Act, covering all employees of R.O.C. nationality. Under the Labor Pension Act, the Company and its domestic subsidiaries make a monthly contribution, equal to 6% of the employees' monthly salaries to their individual pension accounts with the Bureau of Labor Insurance. Employee pensions are paid monthly or in lump sum based on the amounts in their individual pension accounts and the benefits accumulated.
- (B) The Group's pension costs under the above pension plan for 2025 and 2024 were \$41,598 and \$42,006, respectively.

(16) Share-based payment

Subsidiary - Finesse Technology Co., Ltd.

- A. The share-based payment agreement in 2025 and 2024 is as follows:

| Type of agreement | Grant date | Quantity granted | Vesting conditions |
|----------------------------|--------------|------------------|----------------------|
| Employee stock option plan | Apr. 3, 2023 | 2,000 | 2-3 years of service |

- B. An employee stock option plan with 2,000 units was issued on Apr. 3, 2023:

| | For the Years Ended Dec. 31 | | | |
|--|-----------------------------|-------------------------------------|-------------------------|-------------------------------------|
| | 2025 | | 2024 | |
| | Number of stock options | Weighted average strike price (NTD) | Number of stock options | Weighted average strike price (NTD) |
| Stock options outstanding at the beginning of the period | 2,000 | \$ 45.00 | 2,000 | \$ 45.00 |
| Stock options lost in this period | (303) | 33.95 | - | - |
| Stock options exercised in this period | (818) | 36.18 | - | - |
| Stock options outstanding at the end of the period | <u>879</u> | 33.95 | <u>2,000</u> | - |
| Exercisable stock options at the end of the period | <u>-</u> | - | <u>-</u> | - |

- C. As for the above share-based payment - employee stock options, the Black-Scholes model was adopted to estimate the fair value of the stock options. The relevant information is as follows:

| Type of agreement | Grant date | Stock price (Note) | Strike price | Expected volatility | Expected duration | Expected dividends | Risk-free rate | Fair value per unit |
|----------------------------|--------------|--------------------|--------------|---------------------|-------------------|--------------------|---------------------|---------------------|
| Employee stock option plan | Apr. 3, 2023 | - | 45.00 | 40.92%~ 41.94% | 3-3.5 years | - | 1.0626%~ 1.0839% | 42.60 |

Note: Finesse Technology Co., Ltd. undertook a public offering on Sept. 22, 2023.

- D. On Nov. 6, 2024, the Board of Directors of Finesse Technology Co., Ltd. decided to conduct a cash capital increase before the initial TWSE/TPEX listing, retaining 390 thousand shares for employees to subscribe to. The grant date is on Nov. 28, 2024. Finesse Technology Co., Ltd. recognized a compensation cost of \$4,884 thousand in 2024 for the aforementioned employee stock options reserved from the cash capital increase.
- E. The expenses incurred for share-based payment are as follows:

| | For the Years Ended Dec. 31 | |
|------------------------|-----------------------------|----------|
| | 2025 | 2024 |
| Employee stock options | \$ 3,466 | \$ 8,924 |

(17) Share capital

- A. As of Dec. 31, 2025, the Company's authorized capital was \$2,500 thousand and paid-in capital was \$944,623, totaling 94,462,343 shares, at a par value of \$10 per share. The Company has received all the capital payments for the shares issued.

The number of outstanding shares of the Company's common stock at the beginning and end of the period is adjusted as follows:

| | For the Years Ended Dec. 31 | |
|---------------------------------|-----------------------------|----------------|
| | 2025 | 2024 |
| Jan. 1 | \$ 94,561,343 | \$ 118,201,679 |
| Cash capital reduction | - | (23,640,336) |
| Cancellation of treasury shares | (99,000) | - |
| Dec. 31 | \$ 94,462,343 | \$ 94,561,343 |

- B. To increase the return on shareholders' equity and adjust the capital structure, the shareholders' meeting approved a cash capital reduction on Jun. 7, 2024 to return shareholders' shares. The amount of capital reduction was \$236,404 and with 23,640 thousand shares canceled and a capital reduction ratio of 20%. The above-mentioned

capital reduction proposal has been approved by the competent authority and taken effect on Jul. 18, 2024, with the record date of capital reduction on Jul. 19, 2024.

C. Treasury shares

- (A) In order to protect the Company's credit and shareholders' equity, the Company repurchased 99,000 treasury shares for a total of \$4,341 during 2025 and completed the registration change to cancel the shares in the third quarter of 2025.
- (B) According to the Securities and Exchange Act, the number of shares repurchased by a company may not exceed ten percent of the total number of issued shares of the company. The total amount of the shares repurchased may not exceed the amount of the retained earnings plus premium on capital stock plus realized capital surplus.
- (C) According to the Securities and Exchange Act, the treasury shares held by the Company may not be pledged and no shareholders' rights may be exercised before the transfer is completed.
- (D) According to the Securities and Exchange Act, shares repurchased to protect the company's credit and shareholders' equity shall be registered for cancellation within six months from the date of their repurchase.

(18) Capital surplus

According to the Company Act, the capital surplus, including the income derived from issuing shares in excess of par and endowments, in addition to being used to offset a deficit, where the Company has no cumulative deficit, may be used to issue new shares or pay out cash in proportion to the shareholders' shareholdings. In addition, as per the Securities and Exchange Act, where the capital surplus above is used for capitalization, the total amount should not exceed 10% of the paid-in capital each year. The Company should not use the capital surplus to offset capital losses, unless the surplus reserve is insufficient to offset such losses.

| | Additional paid-in capital | Employee stock options | Changes in ownership interests in subsidiaries and associates recognized | Exercise of disgorgement by the Company | Expired stock options | Total |
|---|-------------------------------|---------------------------|---|--|--------------------------|-------------------|
| Jan. 1, 2025 | \$ 297,538 | \$ 2,765 | \$ 94,931 | \$ 215 | \$ 15,235 | \$ 410,684 |
| Changes in ownership interests of subsidiaries | - | - | (8,063) | - | - | (8,063) |
| Cash dividends paid out from capital surplus | (75,649) | - | - | - | - | (75,649) |
| Cancellation of treasury shares | (233) | - | - | - | - | (233) |
| Dec. 31, 2025 | <u>\$ 221,656</u> | <u>\$ 2,765</u> | <u>\$ 86,868</u> | <u>\$ 215</u> | <u>\$ 15,235</u> | <u>\$ 326,739</u> |

| | Additional paid-in capital | Employee stock options | Changes in ownership interests in subsidiaries and associates recognized | Exercise of disgorgement by the Company | Expired stock options | Total |
|---|-------------------------------|---------------------------|---|--|--------------------------|-------------------|
| Jan. 1, 2024 | \$ 297,538 | \$ 2,765 | \$ 45,537 | \$ 215 | \$ 15,235 | \$ 361,290 |
| Changes in ownership interests of subsidiaries | - | - | 2,268 | - | - | 2,268 |
| Cash capital increase from subsidiaries | - | - | 47,126 | - | - | 47,126 |
| Dec. 31, 2024 | <u>\$ 297,538</u> | <u>\$ 2,765</u> | <u>\$ 94,931</u> | <u>\$ 215</u> | <u>\$ 15,235</u> | <u>\$ 410,684</u> |

(19) Retained earnings

A. The Company's profit distribution is made after the end of each half of the fiscal year. If there is a surplus in the final accounts of each half of the fiscal year, after its losses have been covered and all taxes and dues have been paid and at the time of allocating surplus profits, the Company will estimate the retained employee compensation and director remuneration before setting aside ten percent of such profits as a legal reserve. However, when the legal reserve amounts to the authorized capital, this shall not apply. In addition, the special reserve shall be set aside or reversed in accordance with laws and regulations, and the balance shall be added to the accumulated undistributed surplus of previous years as dividends and bonuses available for distribution of shareholders. The amount of distribution shall be prepared by the board of directors with a surplus distribution plan and when the distribution is made in cash, it shall be resolved by the board of directors; when the distribution is made by issuing new shares, the distribution shall be submitted to the shareholders' meeting for resolution. If there is a surplus in the final accounts of a fiscal year, after its losses have been covered and all taxes and dues have been paid and at the time of allocating surplus profits, the Company will set aside ten percent of such profits as a legal reserve. However, when the legal reserve amounts to the authorized capital, this shall not apply. In addition, after the special reserve shall be set aside or reversed in accordance with laws and regulations, the remaining balance is included in the cumulative undistributed earnings for the first half of the fiscal year, the amount of distribution shall be prepared by the board of directors with a surplus distribution plan and when the distribution is made in cash, it shall be resolved by the board of directors; when the distribution is made by issuing new shares, the distribution shall be submitted to the shareholders' meeting for resolution.

Pursuant to Paragraph 5, Article 240 of the Company Act, the Company authorizes the board of directors to resolve to distribute the dividends and bonuses or all or part of the legal reserve and capital surplus as stipulated in Paragraph 1, Article 241 of the Company Act in the form of cash with a majority vote of attending directors at a board meeting

attended by two-thirds of all directors, which shall be reported to the shareholders' meeting.

- B. For the employee compensation and directors' remuneration distribution policy stipulated in the Company's Articles of Incorporation, please refer to Note 6(24).
- C. The legal reserve shall not be appropriated when its balance reaches the amount of the Company's total paid-in capital. The legal reserve may be used to make up for losses. When the Company does not suffer losses, the part of the legal reserve in excess of 25% of the total paid-in capital can be distributed in cash in addition to being used to replenish the capital.
- D. The Company set aside and reversed a special reserve in accordance with the FSC Letters Jin-Guan-Zheng-Fa-Zi No. 1010012865, Jin-Guan-Zheng-Fa-Zi No. 1010047490, Jin-Guan-Zheng-Fa-Zi No. 1030006415, and the directive, entitled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs."
- E. Special reserves
- (A) In accordance with the FSC Letter Jin-Guan-Zheng-Fa-Zi No. 1090150022 dated Mar. 31, 2021, when IFRSs are adopted for the first time, for the cumulative translation adjustments (gains) under shareholders' equity, a special reserve shall be set aside in the same amount of the portion reclassified to retained earnings for application of the exemption as in IFRS 1. As the increase in retained earnings generated due to the first-time application of IFRSs was insufficient to be recognized, the increase in retained earnings generated due to the conversion to IFRSs by \$50,031 was recognized in special reserves.
- (B) The appraised cost of the Company's acquisition of land from a related party in 2017 was lower than the actual transaction price. Therefore, the Company set aside a special reserve of \$14,737 for the difference in accordance with the provisions of the Securities and Exchange Act.
- F. The Company's 2024 and 2023 earnings distribution plans are as follows:

| | For the Years Ended Dec. 31 | | | |
|--|-----------------------------|---------------------------------|------------------|---------------------------------|
| | 2024 | | 2023 | |
| | Amount | Dividends per share (NTD) | Amount | Dividends per share (NTD) |
| Legal reserve provided | \$ 32,332 | | \$ 35,684 | |
| Cash dividends distributed from capital surplus | 75,649 | \$ 0.80 | - | \$ - |
| Cash dividends distributed from earnings | 113,474 | 1.20 | - | - |
| Total | <u>\$ 221,455</u> | <u>\$ 2.00</u> | <u>\$ 35,684</u> | <u>\$ -</u> |

As for the surplus distribution plans for the fiscal year 2024, except for the cash dividend which has been resolved by the Board of Directors on Mar. 4, 2025 and only required to be reported to the shareholders' meeting, the remaining distribution plans have been resolved by the Shareholders' Meeting on May 27, 2025.

As for the surplus distribution plans for the fiscal year 2023, except for the cash dividend which has been resolved by the Board of Directors on Mar. 8, 2024 and only required to be reported to the shareholders' meeting, the remaining distribution plans have been resolved by the Shareholders' Meeting on Jun. 7, 2024.

- G. The 2025 earnings distribution proposal put forth by the Company's board of directors on Mar. 10, 2026 is as follows:

| | For the Years Ended Dec. 31, 2025 | |
|---|-----------------------------------|------------------------------|
| | Amount | Dividends per share (NTD) |
| Legal reserve provided | \$ 23,512 | |
| Cash dividends distributed from earnings | 188,925 | \$ 2.00 |
| Total | <u>\$ 212,437</u> | <u>\$ 2.00</u> |

As for the surplus distribution plans for the fiscal year 2025, except for the cash dividend which has been resolved by the Board of Directors on Mar. 10, 2026 and only required to be reported to the shareholders' meeting, the remaining surplus distribution plans haven't been resolved by the Shareholders' Meeting.

(20) Operating revenue

| | For the Years Ended Dec. 31 | |
|---------------------------|-----------------------------|---------------------|
| | 2025 | 2024 |
| Merchandise sales revenue | \$ 2,295,930 | \$ 2,530,585 |
| Service income | 1,452,252 | 1,396,195 |
| Others | 5,471 | 7,487 |
| | <u>\$ 3,753,653</u> | <u>\$ 3,934,267</u> |

A. Breakdown of revenue from customer contracts

The Group's revenue is segmented into the following main operating segments:

| | Highlight Tech Corp. | Highlight Tech (Shanghai) Corp. | Finesse Technology Co., Ltd. and its subsidiaries | Others | Total |
|--|----------------------|---------------------------------|---|-------------------|---------------------|
| 2025 | | | | | |
| Segment revenue | \$ 2,141,793 | \$ 773,257 | \$ 671,073 | \$ 443,722 | \$ 4,029,845 |
| Income from inter-segment transactions | (244,863) | (11,257) | (2,220) | (17,852) | (276,192) |
| Revenue from contracts with external customers | <u>\$ 1,896,930</u> | <u>\$ 762,000</u> | <u>\$ 668,853</u> | <u>\$ 425,870</u> | <u>\$ 3,753,653</u> |
| | | | | | |
| 2024 | | | | | |
| Segment revenue | \$ 2,343,794 | \$ 795,388 | \$ 760,258 | \$ 263,742 | \$ 4,163,182 |
| Income from inter-segment transactions | (197,179) | (7,421) | (9,223) | (15,092) | (228,915) |
| Revenue from contracts with external customers | <u>\$ 2,146,615</u> | <u>\$ 787,967</u> | <u>\$ 751,035</u> | <u>\$ 248,650</u> | <u>\$ 3,934,267</u> |

B. Contract assets and contract liabilities

The contract assets and contract liabilities related to the revenue from contracts with customers recognized by the Group are as follows:

| | Dec. 31, 2025 | Dec. 31, 2024 | Jan. 1, 2024 |
|----------------------|-------------------|-------------------|-------------------|
| Contract assets | <u>\$ 421,420</u> | <u>\$ 403,088</u> | <u>\$ 195,147</u> |
| Contract liabilities | <u>\$ 57,012</u> | <u>\$ 189,729</u> | <u>\$ 130,515</u> |

(A) The opening balances of contract liabilities on Jan. 1, 2025 and 2024 were recognized in revenue of \$167,089 and \$130,515 in 2025 and 2024, respectively.

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

(21) Other gains or losses

| | For the Years Ended Dec. 31 | |
|--|-----------------------------|------------------|
| | 2025 | 2024 |
| Gains on disposal of property, plant and equipment | \$ 18 | \$ 1,252 |
| Foreign currency exchange gains | 3,341 | 24,114 |
| Gains on disposal of investments | 4,291 | - |
| Others | (1,101) | (8,411) |
| | <u>\$ 6,549</u> | <u>\$ 16,955</u> |

(22) Financial costs

| | For the Years Ended Dec. 31 | |
|-------------------------------|-----------------------------|------------------|
| | 2025 | 2024 |
| Interest on bank borrowings | \$ 53,424 | \$ 43,688 |
| Interest on lease liabilities | 1,715 | 1,747 |
| | <u>\$ 55,139</u> | <u>\$ 45,435</u> |

(23) Depreciation and amortization

| | For the Years Ended Dec. 31 | |
|--|-----------------------------|-------------------|
| | 2025 | 2024 |
| An analysis of depreciation expenses by function | | |
| Operating costs | \$ 167,178 | \$ 157,467 |
| Operating expenses | 85,178 | 73,490 |
| | <u>\$ 252,356</u> | <u>\$ 230,957</u> |
| An analysis of amortization expenses by function | | |
| Operating costs | \$ 4,545 | \$ 6,757 |
| Operating expenses | 11,961 | 13,398 |
| | <u>\$ 16,506</u> | <u>\$ 20,155</u> |

(24) Employee benefits expenses

| | For the Years Ended Dec. 31 | |
|-------------------------------------|-----------------------------|-------------------|
| | 2025 | 2024 |
| Salaries and wages expenses | \$ 731,882 | \$ 758,610 |
| Labor and health insurance expenses | 68,023 | 64,811 |
| Pension expense | 41,599 | 42,020 |
| Other personnel expenses | 61,138 | 46,924 |
| | <u>\$ 902,642</u> | <u>\$ 912,365</u> |

A. 2025 and subsequent years:

If the Company generates a profit for the year (i.e., pre-tax income before employee compensation and director remuneration is deducted), it shall allocate not less than 8% of the balance as employee compensation (of which the compensation for entry-level employees shall be not less than 30% of the total employee compensation) and not more than 2% of said balance as director remuneration. However, if the Company has accumulated losses, the amount required to cover the loss shall be reserved first.

The above employee compensation may be distributed in the form of stock or cash. Eligible recipients may include employees at the controlling company or subsidiaries who met certain criteria, with the conditions and distribution methods to be determined by the Board of Directors.

The two preceding items shall be resolved by the Board of Directors and reported to the Shareholders' Meeting.

B. 2024 and preceding years:

If the Company makes a profit in a year, it shall allocate 10-15% of the balance as employee compensation, which shall be distributed in stock or cash after a resolution is adopted by the Board of Directors. The recipients may include employees at the controlling company or subsidiaries who met certain criteria. The Company may allocate no more than 2% of said balance as directors' remuneration after a resolution is adopted by the Board of Directors. Employee compensation and directors' remuneration distribution proposal shall be reported to the shareholders' meeting.

C. In 2025 and 2024, the Company's estimated employee compensation amounted to \$25,862 and \$40,985, respectively; estimated director remuneration amounted to \$5,747 and \$8,197, respectively, and the aforementioned amounts were recognized in salaries and wages. On Mar. 10, 2026, the Company's Board of Directors resolved to allocate \$25,862 for employee compensation and \$5,747 for director remuneration.

The employee compensation and director remuneration distributed for 2024 as approved by the board of directors by resolution and the amounts recognized in the 2024 financial statements were the same.

Please visit the Market Observation Post System (MOPS) for information on employee compensation and director remuneration approved by the Company's board of directors.

(25) Income tax

A. Income tax expense

(A) Components of income tax expenses:

| | For the Years Ended Dec. 31 | |
|--|-----------------------------|---------------|
| | 2025 | 2024 |
| Current income tax: | | |
| Income tax from current income | \$ 60,778 | \$ 80,334 |
| A surtax on unappropriated retained earnings | 5,736 | 10,232 |
| Income tax overestimates for prior years | (14,009) | (18,742) |
| Total current income tax | <u>52,505</u> | <u>71,824</u> |

| | For the Years Ended Dec. 31 | |
|---|-----------------------------|------------------|
| | 2025 | 2024 |
| Deferred tax: | | |
| Initial arising and reversal of temporary differences | (2,409) | (8,806) |
| Income tax expense | <u>\$ 50,096</u> | <u>\$ 63,018</u> |

(B) The amount of income tax related to other comprehensive income:

| | For the Years Ended Dec. 31 | |
|--|-----------------------------|-----------------|
| | 2025 | 2024 |
| Exchange differences on translating foreign operations | <u>(\$ 5,674)</u> | <u>\$ 7,806</u> |

B. Relationship between income tax expense and accounting profit

| | For the Years Ended Dec. 31 | |
|---|-----------------------------|------------------|
| | 2025 | 2024 |
| Income tax calculated based on statutory tax rate for pre-tax income (Note) | \$ 96,348 | \$ 109,209 |
| Expenses that should be excluded according to tax laws | 47 | 1,223 |
| Income exempted from taxation according to tax laws | (30,377) | (13,309) |
| Temporary differences not recognized as deferred tax assets | - | (11,736) |
| Tax losses not recognized as deferred tax assets | - | (324) |
| Effect of income tax on investment deduction | (14,306) | (12,889) |
| Changes in the feasibility evaluation of deferred tax assets | - | (646) |
| Income tax overestimates for prior years | (14,009) | (18,742) |
| Effect of the difference between the current tax rate and the tax rate for the year in which the temporary difference is realized | 6,657 | - |
| A surtax on unappropriated retained earnings | <u>5,736</u> | <u>10,232</u> |
| Income tax expense | <u>\$ 50,096</u> | <u>\$ 63,018</u> |

Note: The applicable tax rate is calculated based on the tax rate applicable to income in the relevant country.

C. The amounts of deferred tax assets or liabilities arising from temporary differences, tax losses, and investment deductions are as follows:

| | 2025 | | | |
|--|---------------------|---------------------------------|---|---------------------|
| | Jan. 1 | Recognized in profit or loss | Recognized in other comprehensive income | Dec. 31 |
| Deferred tax assets: | | | | |
| -Temporary differences: | | | | |
| Inventory valuation losses | \$ 24,996 | (\$ 89) | \$ - | \$ 24,907 |
| Bad debts loss | 4,542 | 198 | - | 4,740 |
| Others | 19,892 | 3,876 | - | 23,768 |
| Subtotal | <u>\$ 49,430</u> | <u>\$ 3,985</u> | <u>\$ -</u> | <u>\$ 53,415</u> |
| -Deferred tax liabilities: | | | | |
| Exchange differences on translating foreign operations | (12,168) | - | 5,674 | (6,494) |
| Provisions for land value increment tax | (8,041) | - | - | (8,041) |
| Others | (383) | (1,576) | - | (1,959) |
| Subtotal | <u>(\$ 20,592)</u> | <u>(\$ 1,576)</u> | <u>\$ 5,674</u> | <u>(\$ 16,494)</u> |
| Total | <u>\$ 28,838</u> | <u>\$ 2,409</u> | <u>\$ 5,674</u> | <u>\$ 36,921</u> |

| | 2024 | | | |
|--|---------------------|---------------------------------|---|---------------------|
| | Jan. 1 | Recognized in profit or loss | Recognized in other comprehensive income | Dec. 31 |
| Deferred tax assets: | | | | |
| -Temporary differences: | | | | |
| Inventory valuation losses | \$ 20,205 | \$ 4,791 | \$ - | \$ 24,996 |
| Bad debts loss | 3,712 | 830 | - | 4,542 |
| Others | 16,371 | 3,521 | - | 19,892 |
| Subtotal | <u>\$ 40,288</u> | <u>\$ 9,142</u> | <u>\$ -</u> | <u>\$ 49,430</u> |
| -Deferred tax liabilities: | | | | |
| Exchange differences on translating foreign operations | (4,362) | - | (7,806) | (12,168) |
| Provisions for land value increment tax | (8,041) | - | - | (8,041) |
| Others | (47) | (336) | - | (383) |
| Subtotal | <u>(\$ 12,450)</u> | <u>(\$ 336)</u> | <u>(\$ 7,806)</u> | <u>(\$ 20,592)</u> |
| Total | <u>\$ 27,838</u> | <u>\$ 8,806</u> | <u>(\$ 7,806)</u> | <u>\$ 28,838</u> |

| | For the Years Ended Dec. 31, 2024 | | |
|--|-----------------------------------|--|--------------------------------|
| | Amount after tax | Weighted average number of issued shares (in thousands) | Earnings per share (NTD) |
| Current net income attributable to ordinary shareholders of the parent company, plus effect of potential ordinary shares | \$ 323,319 | 108,466 | \$ 2.98 |

(27) Transactions with non-controlling interests

Acquisition of additional equity in subsidiary

- A. During the third quarter of 2024, the Company acquired non-controlling interests in its subsidiary, Schmidt Scientific Taiwan Ltd., in cash, so its shareholding ratio increased from 57.17% to 60.96%. With this transaction, the non-controlling interests decreased by \$2,268 and the equity attributable to the parent company increased by \$2,268.
- B. During the second and third quarter of 2025, the Company acquired non-controlling interests in its subsidiary, Schmidt Scientific Taiwan Ltd., in cash, so its shareholding ratio increased from 60.96% to 61.12%. With this transaction, the non-controlling interests decreased by \$191 and the equity attributable to the parent company increased by \$191.

(28) Business combination

- A. The Group acquired 100% of the equity of Litho Med Trading Co., Ltd. on Jul. 1, 2024, at an acquisition price \$100 thousand, in cash and gained control over Litho Med Trading Co., Ltd.
- B. The information on the consideration paid for the acquisition of Litho Med Trading Co., Ltd. and the assets acquired and the liabilities assumed at the fair value on the acquisition date is as follows:

| | Jun. 30, 2024 |
|--|---------------|
| Acquisition consideration | |
| Cash | \$ 100,000 |
| Fair value of identifiable assets acquired and liabilities assumed | |
| Cash | 39,958 |
| Accounts receivable | 8,011 |
| Current income tax assets | 6 |
| Inventories | 10,880 |
| Prepayments | 532 |
| Other current assets | 44 |
| Property, plant and equipment | 70,000 |
| Other non-current assets | 6,300 |

| | Jun. 30, 2024 |
|--|----------------|
| Short-term borrowings | (5,000) |
| Notes payable | (1,621) |
| Accounts payable | (4,578) |
| Other payables | (16,275) |
| Long-term liabilities due within one year or one operating cycle | (5,888) |
| Other current liabilities | (17) |
| Long-term borrowings | (2,352) |
| Total identifiable net assets | <u>100,000</u> |
| | <u>\$ -</u> |

C. Since the Group merged Litho Med Trading Co., Ltd. on Jul. 1, 2024, the operating revenue and the net income before tax contributed by the company were \$68,225 and \$18,988, respectively, as of Dec. 31, 2024. If it is assumed that Litho Med Trading Co., Ltd. has been merged into the Group since Jan. 1, 2024, the Group's operating revenue and net income before tax in 2024 would have been \$3,981,931 and \$490,633, respectively.

(29) Supplementary information on cash flows

Investing activities with partial cash payment:

| | For the Years Ended Dec. 31 | |
|---|-----------------------------|-------------------|
| | 2025 | 2024 |
| Purchase of property, plant and equipment | \$ 99,839 | \$ 195,073 |
| Add: Equipment payable at the beginning of the period | 53,052 | 38,829 |
| Less: Equipment payable at the end of the period | (8,880) | (53,052) |
| Others | (10,000) | - |
| Cash paid in this period | <u>\$ 134,011</u> | <u>\$ 180,850</u> |

(30) Changes in liabilities from financing activities

| | 2025 | | | | | |
|---|-----------------------|--------------------------|----------------------|-------------------|--------------------|---------------------|
| | Short-term borrowings | Short-term notes payable | Long-term borrowings | Lease liabilities | Guarantee deposits | Total |
| Jan. 1 | \$ 277,000 | \$ 40,000 | \$ 2,506,286 | \$ 83,687 | \$ 1,361 | \$ 2,908,334 |
| Changes in cash flows of financing activities | 475,380 | (40,000) | (424,579) | (37,171) | 212 | (26,158) |
| Acquisition of right-of-use assets | - | - | - | 23,791 | - | 23,791 |
| Impact from change in exchange rate | - | - | (2,015) | (1,639) | (16) | (3,670) |
| Other non-cash changes | - | - | - | 1,715 | - | 1,715 |
| Dec. 31 | <u>\$ 752,380</u> | <u>\$ -</u> | <u>\$ 2,079,692</u> | <u>\$ 70,383</u> | <u>\$ 1,557</u> | <u>\$ 2,904,012</u> |

| | 2024 | | | | | |
|---|-----------------------|--------------------------|----------------------|-------------------|--------------------|---------------------|
| | Short-term borrowings | Short-term notes payable | Long-term borrowings | Lease liabilities | Guarantee deposits | Total |
| Jan. 1 | \$ 807,000 | \$ - | \$ 1,745,810 | \$ 46,002 | \$ 1,134 | \$ 2,599,946 |
| Changes in cash flows of financing activities | (535,000) | 40,000 | 752,236 | (24,177) | 185 | 233,244 |
| Acquired through business combinations | 5,000 | - | 8,240 | - | - | 13,240 |
| Acquisition of right-of-use assets | - | - | - | 65,989 | - | 65,989 |
| Impact from change in exchange rate | - | - | - | 135 | 42 | 177 |
| Other non-cash changes | - | - | - | (4,262) | - | (4,262) |
| Dec. 31 | <u>\$ 277,000</u> | <u>\$ 40,000</u> | <u>\$ 2,506,286</u> | <u>\$ 83,687</u> | <u>\$ 1,361</u> | <u>\$ 2,908,334</u> |

7. Related Party Transactions

(1) Name of related parties and relationship

| Name of related party | Relationship with the Group |
|----------------------------------|-----------------------------|
| Htc & Solar Tech Service Limited | Associate |

(2) Significant transactions with related parties

A. Operating revenue

| | For the Years Ended Dec. 31 | |
|----------------|-----------------------------|---------------|
| | 2025 | 2024 |
| Sales revenue: | | |
| Associate | <u>\$ 422</u> | <u>\$ 691</u> |

(A) The Group's revenue is from the sales of various types of components and customized products, as well as cleaning. There is no major difference in the unit price of the various components sold from that offered to regular customers; the customized products and the parts of each customer's customized products for maintenance and replacement are different, so the prices cannot be compared.

(B) The Group's collection of the sales revenue from the above-mentioned related parties is open account (O/A) with net 90 days. O/A with net 30 days to 120 days for general customers.

B. Purchases

| | For the Years Ended Dec. 31 | |
|-----------------------|-----------------------------|-----------------|
| | 2025 | 2024 |
| Merchandise purchase: | | |
| Associate | <u>\$ 1,336</u> | <u>\$ 1,157</u> |

- (A) The Group's purchases from related parties mainly include parts. Since the Company does not purchase the same products from other non-related parties, the prices cannot be compared.
- (B) The Group's purchases from the above-mentioned related parties are based on O/A with net 90 days after acceptance, and there is no major difference from general suppliers.

C. Receivables from related parties

| | Dec. 31, 2025 | Dec. 31, 2024 |
|----------------------|---------------|---------------|
| Accounts receivable: | | |
| Associate | \$ 97 | \$ 28 |

Amounts receivable from related parties mainly arise from sales, and each amount from the sales is due at the end of two full months after each sale date. The receivables are not interest-bearing and unsecured. No allowance for losses was provided for receivables from related parties.

D. Payables to related parties

| | Dec. 31, 2025 | Dec. 31, 2024 |
|-------------------|---------------|---------------|
| Accounts payable: | | |
| Associate | \$ 5,902 | \$ 5,962 |
| Other payables: | | |
| Associate | \$ 3,706 | \$ - |

- (A) Amounts payable to related parties mainly arise from purchases, and each amount from the purchases is due at the end of two full months after each purchase date. The payables are not interest-bearing.
- (B) Other payables arise from processing and maintenance services provided by related parties.

(3) Transactions with other related parties

The processing and maintenance fees paid by the Group to its associates in 2025 and 2024 were \$19,094 and \$15,627, respectively, which were recognized in production overheads and R&D expenses.

(4) Information on remuneration of key management personnel

| | For the Years Ended Dec. 31 | |
|------------------------------|-----------------------------|-----------|
| | 2025 | 2024 |
| Short-term employee benefits | \$ 77,139 | \$ 59,858 |
| Post-employment benefits | 1,608 | 827 |
| | \$ 78,747 | \$ 60,685 |

8. Pledged Assets

The details of the assets pledged by the Group as collateral are as follows:

| Asset | Book value | | Purpose |
|--|---------------------|---------------------|--|
| | Dec. 31, 2025 | Dec. 31, 2024 | |
| Non-current assets held for sale | | | Long-term borrowings |
| - Land | \$ 240,390 | \$ - | |
| Land | 720,190 | 960,580 | Long-term borrowings |
| Buildings, and structures | 1,438,220 | 1,450,209 | Long-term borrowings |
| Financial assets at amortized cost - current | 3,000 | 7,041 | Short-term borrowings and customs guarantee |
| Refundable deposits | | | Leases and golf club membership certificates |
| | <u>14,280</u> | <u>16,305</u> | |
| | <u>\$ 2,416,080</u> | <u>\$ 2,434,135</u> | |

9. Significant Contingent Liabilities and Unrecognized Commitments

As of Dec. 31, 2025, the amount of the performance guarantees provided by the banks entrusted by the Group for the purchase of goods from suppliers was \$10 thousand.

10. Major Disaster Loss

None.

11. Material Events After the Balance Sheet Date

- (1) Please refer to Note 6 (19) G. for the detailed profit distribution plan of the Company for the year 2025.
- (2) From Jan. 1, 2026, the Company lost control over Finesse Technology Co., Ltd. For further details, please refer to Note 4(3)B. Note 1.

12. Others

(1) Capital management

The Group's capital management is to optimize the balances of debts and equity to make effective use of capital and ensure the smooth operation of each company. The Group's capital structure is composed of liabilities and equity without the need for compliance with other external capital requirements. The Group's main management reviews the capital structure quarterly, including considering the costs of various types of capital and relevant risks while investing in financial products to increase the Company's income and manage the capital structure.

(2) Financial instruments

A. Categories of financial instruments

| | <u>Dec. 31, 2025</u> | <u>Dec. 31, 2024</u> |
|---|----------------------|----------------------|
| <u>Financial assets</u> | | |
| Financial assets at fair value through other comprehensive income | | |
| Designated equity instrument investments selected | \$ 6,007 | \$ 6,007 |
| Financial assets at amortized cost | | |
| Cash and cash equivalents | \$ 937,512 | \$ 1,232,128 |
| Financial assets at amortized cost | 185,552 | 40,185 |
| Notes receivable | 8,898 | 37,861 |
| Accounts receivable (including related parties) | 621,076 | 807,215 |
| Other receivables | 4,210 | 5,088 |
| Refundable deposits | 14,280 | 16,305 |
| | <u>\$ 1,771,528</u> | <u>\$ 2,138,782</u> |
| <u>Financial liabilities</u> | | |
| Financial liabilities at amortized cost | | |
| Short-term borrowings | \$ 752,380 | \$ 277,000 |
| Short-term notes payable | - | 40,000 |
| Notes payable | 10 | - |
| Accounts payable (including related parties) | 432,729 | 425,087 |
| Other payables | 343,556 | 404,612 |
| Long-term borrowings (including due within one year or one operating cycle) | 2,079,692 | 2,506,286 |
| Guarantee deposits | 1,557 | 1,361 |
| | <u>\$ 3,609,924</u> | <u>\$ 3,654,346</u> |
| Lease liabilities | <u>\$ 70,383</u> | <u>\$ 83,687</u> |

B. Risk management policy

The Group's financial management department provides services to various business units, coordinates the operations in the domestic and international financial markets, and supervises and manages the financial risks related to the Group's operations through the internal reports on risk exposure analyses based on the degree and breadth of risks. These risks include market risk (including exchange rate risk, interest rate risk, and other price risks), credit risk, and liquidity risk.

C. Nature and level of material financial risks

(A) Market risk

Exchange rate risk

- a. The Group operates business across borders and is therefore subject to exchange rate risks arising from transactions in currencies that are different from the functional currencies (USD and CNY) used by the Company and its subsidiaries. The relevant exchange rate risks arise from future business transactions and assets and liabilities recognized.
- b. The Group's management has formulated policies to require each company of the Group to manage the exchange rate risks arising from their functional currencies. Each company should hedge its overall exchange rate risks through the Group's finance department. Exchange rate risks are measured through a forecast of highly probable USD and CNY expenditures and forward exchange agreements are used to reduce the impact of exchange rate fluctuations on expected inventory purchase costs.
- c. The Group's business involves certain non-functional currencies (the functional currency used by the Company and some of its subsidiaries is NTD, and the functional currencies used by some of its subsidiaries are CNY and USD). Therefore, the Group is subject to exchange rate fluctuations. The information on foreign-currency assets and liabilities affected by significant exchange rate fluctuations is as follows:

| | | | | Dec. 31, 2025 | | |
|--|----------|----|---------|-----------------------------------|---------------|-----------------------------|
| | | | | Foreign currency (thousand) | Exchange rate | Carrying amount (NTD) |
| (Foreign currency: Functional currency) | | | | | | |
| <u>Financial assets</u> | | | | | | |
| <u>Monetary item</u> | | | | | | |
| | USD: NTD | \$ | 10,365 | 31.4300 | | 325,772 |
| | USD: CNY | | 1,023 | 7.0288 | | 32,148 |
| | CNY: NTD | | 12,687 | 4.4716 | | 56,731 |
| | JPY: NTD | | 152,274 | 0.2008 | | 30,577 |
| <u>Financial liabilities</u> | | | | | | |
| <u>Monetary item</u> | | | | | | |
| | USD: NTD | \$ | 972 | 31.4300 | | 30,550 |
| | CNY: NTD | | 1,943 | 4.4716 | | 8,688 |
| | JPY: NTD | | 79,129 | 0.2008 | | 15,889 |
| | | | | Dec. 31, 2024 | | |
| | | | | Foreign currency (thousand) | Exchange rate | Carrying amount (NTD) |
| (Foreign currency: Functional currency) | | | | | | |
| <u>Financial assets</u> | | | | | | |
| <u>Monetary item</u> | | | | | | |
| | USD: NTD | \$ | 6,615 | 32.7850 | | 216,873 |
| | USD: CNY | | 538 | 7.1884 | | 17,649 |
| | CNY: NTD | | 7,480 | 4.4780 | | 33,495 |
| | JPY: NTD | | 98,969 | 0.2099 | | 20,774 |
| <u>Financial liabilities</u> | | | | | | |
| <u>Monetary item</u> | | | | | | |
| | USD: NTD | \$ | 327 | 32.7850 | \$ | 10,721 |
| | JPY: NTD | | 72,089 | 0.2099 | | 15,131 |

- d. The aggregate amounts of (realized and unrealized) exchange gains or losses of the Group's monetary items recognized for the years ended Dec. 31, 2025 and 2024 due to the significant impact of exchange rate fluctuations were \$3,341 and \$24,114, respectively.

- e. The analysis of the Group's foreign currency market risk due to significant exchange rate fluctuations is as follows:

| Dec. 31, 2025 | | | |
|--|--------------------------|--------------------------------------|------|
| Sensitivity analysis | | | |
| Movement (%) | Impact on profit or loss | Impact on other comprehensive income | |
| (Foreign currency: Functional currency) | | | |
| <u>Financial assets</u> | | | |
| <u>Monetary item</u> | | | |
| USD: NTD | ±5% | \$ 16,289 | \$ - |
| USD: CNY | ±5% | 1,607 | - |
| CNY: NTD | ±5% | 2,837 | - |
| JPY: NTD | ±5% | 1,529 | - |
| <u>Financial liabilities</u> | | | |
| <u>Monetary item</u> | | | |
| USD: NTD | ±5% | \$ 1,528 | \$ - |
| CNY: NTD | ±5% | 434 | - |
| JPY: NTD | ±5% | 794 | - |
| Dec. 31, 2024 | | | |
| Sensitivity analysis | | | |
| Movement (%) | Impact on profit or loss | Impact on other comprehensive income | |
| (Foreign currency: Functional currency) | | | |
| <u>Financial assets</u> | | | |
| <u>Monetary item</u> | | | |
| USD: NTD | ±5% | \$ 10,844 | \$ - |
| USD: CNY | ±5% | 882 | - |
| CNY: NTD | ±5% | 1,675 | - |
| JPY: NTD | ±5% | 1,039 | - |
| <u>Financial liabilities</u> | | | |
| <u>Monetary item</u> | | | |
| USD: NTD | ±5% | \$ 536 | \$ - |
| JPY: NTD | ±5% | 757 | - |

Price risks

The Group's equity instruments exposed to the price risk are its financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage the price risk of equity instrument investment, the Group has diversified its investment portfolio, and the method of the diversification is based on the limits it set.

Interest rate risks from cash flows and fair values

The Group's interest rate risk mainly arises from long-term borrowings at floating interest rates, which exposes the Group to cash flow interest rate risk. The risk is partially offset by the Group's cash and cash equivalents at floating interest rates. The Group's borrowings at floating interest rates taken out in 2025 and 2024 were mainly denominated in NTD.

(B) Credit risk

- a. The Group's credit risk is the risk of financial loss suffered arising from the failure of customers or counterparties of financial instruments to fulfill contractual obligations. It mainly comes from counterparties' inability to settle accounts receivable in accordance with the payment terms.
- b. The Group has established a credit risk management mechanism from a group-wide perspective. Only banks and financial institutions with their credit ratings independently determined at "A" or higher can be accepted as transaction counterparties. In accordance with the internal credit policy, each operating entity within the Group must conduct management and credit risk analysis of each new customer before deciding payment and delivery terms and conditions. The internal risk control system evaluates the credit quality of customers by considering their financial positions, past experience, and other factors. Individual risk limits are set by the board of directors based on internal or external ratings, and the drawdown of credit limits is regularly monitored.
- c. The Group adopts IFRS 9 to set the premise and assumption that when a contract payment is past due by more than 90 days in accordance with the agreed payment terms, it is deemed to have been in default.
- d. The Group adopts IFRS 9 to set the premise and assumption that when a contract payment is past due by more than 30 days in accordance with the agreed payment terms, it is deemed that the credit risk of a financial asset has increased significantly since the initial recognition.
- e. The Group adopts a simplified approach to estimate expected credit losses using a loss ratio method.
- f. The Group incorporates the forward-looking considerations in the Taiwan Institute of Economic Research' Business Indicator Report and adjusts the loss ratio set based on historical and present information for a specific period, to estimate an allowance for losses on contract assets, notes receivable and accounts receivable; the loss ratio methods used as of Dec. 31, 2025 and 2024 are as follows:

| | Not past due | Past due for less than 90 days | Past due for less than 180 days | Past due for 181 days or more | Total |
|----------------------|--------------|--------------------------------|---------------------------------|-------------------------------|--------------|
| <u>Dec. 31, 2025</u> | | | | | |
| Expected loss ratio | 0%~0.81% | 0%~11.68% | 4.16%~51.92% | 2.78%~100% | |
| Total book value | \$ 922,828 | \$ 85,683 | \$ 35,662 | \$ 46,092 | \$ 1,090,265 |
| Allowance for losses | \$ 1,795 | \$ 3,078 | \$ 5,333 | \$ 28,665 | \$ 38,871 |
| <u>Dec. 31, 2024</u> | | | | | |
| Expected loss ratio | 0%~0.27% | 0%~11.59% | 0.68%~100% | 38.74%~100% | |
| Total book value | \$ 1,162,111 | \$ 81,454 | \$ 9,707 | \$ 20,774 | \$ 1,274,046 |
| Allowance for losses | \$ 1,382 | \$ 2,143 | \$ 2,260 | \$ 20,097 | \$ 25,882 |

- g. The table of the changes in the Group's allowance for losses on account receivable with a simplified approach is as follows:

| | For the Years Ended Dec. 31 | |
|---|-----------------------------|---------------------|
| | 2025 | 2024 |
| | Accounts receivable | Accounts receivable |
| Jan. 1 | \$ 25,882 | \$ 24,924 |
| Provision for impairment loss | 13,624 | 896 |
| Amounts written off due to irrecoverability | (346) | (477) |
| Effect of exchange rate changes | (289) | 539 |
| Dec. 31 | <u>\$ 38,871</u> | <u>\$ 25,882</u> |

(C) Liquidity risk

- a. Cash flow forecasts are made by each operating entity of the Group and aggregated by the Group's finance department. The Group's finance department monitors the forecasts on the group-wide liquidity needs to ensure that the Group has sufficient funds to meet operational needs and maintain sufficient undrawn borrowing commitment at all times so that it will not violate relevant borrowing limit requirements or terms. The forecasts take into account the Group's debt financing plans, compliance with debt terms, and alignment with financial ratio targets in the internal balance sheet.
- b. Borrowings from banks are an important source of liquidity for the Group. As of Dec. 31, 2025 and 2024, the Group's undrawn bank financing commitment amounted to \$2,448,767, and \$1,553,243, respectively.

- c. The table below details the Group's non-derivative financial liabilities and derivative financial liabilities settled on a net or gross basis, which are grouped by maturity dates. Non-derivative financial liabilities were analyzed based on the remaining period from the balance sheet date to the contract maturity date; derivative financial liabilities were analyzed based on the remaining period from the balance sheet date to the expected maturity date. The contractual cash flows disclosed in the table below are undiscounted amounts.

| Dec. 31, 2025 | <u>Less than 1 year</u> | <u>More than 1 year</u> |
|--|-------------------------|-------------------------|
| <u>Non-derivative financial liabilities:</u> | | |
| Non-interest-bearing liabilities | \$ 776,295 | \$ 1,557 |
| Lease liabilities | 27,962 | 49,706 |
| Floating interest rate instruments | 1,595,419 | 1,298,050 |
| | | |
| Dec. 31, 2024 | <u>Less than 1 year</u> | <u>More than 1 year</u> |
| <u>Non-derivative financial liabilities:</u> | | |
| Non-interest-bearing liabilities | \$ 829,699 | \$ 1,361 |
| Lease liabilities | 25,910 | 60,254 |
| Floating interest rate instruments | 957,147 | 1,911,880 |
| Instruments at fixed rates | 40,783 | - |

(3) Fair value information

- A. The fair value levels of the financial instruments and non-financial instruments measured using the valuation technique are defined as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities on the measurement date. An active market refers to a market in which transactions for an asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs, other than quoted market prices within level 1 that are observable, either directly or indirectly for assets or liabilities.

Level 3: Unobservable inputs for assets or liabilities.

- B. Financial and non-financial instruments at fair value are classified by the Group based on the nature, characteristics, risks, and levels of fair values of assets and liabilities. The relevant information is as follows:

The Group classified assets and liabilities by nature. The relevant information is as follows:

| Dec. 31, 2025 | Level 1 | Level 2 | Level 3 | Total |
|---|---------|---------|----------|----------|
| Assets | | | | |
| <u>Fair value on a recurring basis</u> | | | | |
| Financial assets at fair value through other comprehensive income | | | | |
| Equity securities | \$ - | \$ - | \$ 6,007 | \$ 6,007 |
| | | | | |
| Dec. 31, 2024 | Level 1 | Level 2 | Level 3 | Total |
| Assets | | | | |
| <u>Fair value on a recurring basis</u> | | | | |
| Financial assets at fair value through other comprehensive income | | | | |
| Equity securities | \$ - | \$ - | \$ 6,007 | \$ 6,007 |

C. The table below shows the changes in Level 3 fair values in 2025 and 2024:

| | For the Years Ended Dec. 31 | |
|--|-----------------------------|-------------------|
| | 2025 | 2024 |
| | Equity securities | Equity securities |
| Equity instrument investments at fair value through other comprehensive income | | |
| Beginning and ending balances | \$ 6,007 | \$ 6,007 |

- D. There was no transfer in/out to/from Level 3 fair values during 2025 and 2024.
- E. In the Group's valuation process for fair values classified as at Level 3, the finance department is responsible for independent fair value verification for financial instruments, uses data from independent sources to make the valuation results close to the market level, and confirms that the source of the data is independent, reliable, consistent with other resources, and representative of the executable price, while regularly calibrating the valuation model, conducting back-testing, updating the inputs and data required by the valuation model, and making any other necessary fair value adjustments to ensure that the valuation results are reasonable.
- F. The quantitative information on the significant unobservable inputs of the valuation model used in the Level 3 fair value measurement and the sensitivity analysis of the significant unobservable input changes are stated as follows:

| | Fair value on Dec. 31, 2025 | Valuation technique | Significant unobservable inputs | Range (weighted average) | Relationship between input and fair value |
|------------------------------------|--------------------------------|---------------------------|---------------------------------------|--------------------------------|---|
| Non-derivative equity instruments: | | | | | |
| Non-TWSE/TPEX listed stocks | \$ 6,007 | Net asset value method | Not applicable | - | Not applicable |
| | Fair value on Dec. 31, 2024 | Valuation technique | Significant unobservable inputs | Range (weighted average) | Relationship between input and fair value |
| Non-derivative equity instruments: | | | | | |
| Non-TWSE/TPEX listed stocks | \$ 6,007 | Net asset value method | Not applicable | - | Not applicable |

G. The Group has selected a valuation model and valuation parameters after prudent evaluation, but different valuation results may occur due to the use of different valuation models or valuation parameters. For financial assets and financial liabilities classified as at Level 3, if the valuation parameters change, the effect on the current profit or loss or other comprehensive income is as follows:

| | | Dec. 31, 2025 | | | |
|--------------------|--|------------------------------|-----------------------|---|-----------------------|
| | | Recognized in profit or loss | | Recognized in other comprehensive income | |
| | | Favorable change | Unfavorable change | Favorable change | Unfavorable change |
| | Input | Change | | | |
| Financial assets | | | | | |
| Equity instruments | Market-to-book ratio; discount for lack of marketability | ±1% | \$ - | \$ - | \$ 60 (\$ 60) |
| Dec. 31, 2024 | | | | | |
| | | Recognized in profit or loss | | Recognized in other comprehensive income | |
| | | Favorable change | Unfavorable change | Favorable change | Unfavorable change |
| | Input | Change | | | |
| Financial assets | | | | | |
| Equity instruments | Market-to-book ratio; discount for lack of marketability | ±1% | \$ - | \$ - | \$ 60 (\$ 60) |

13. Additional Disclosures

(1) Information on significant transactions

A. Loaning funds to others: None.

B. Endorsements/guarantees provided: Please refer to Table 1.

- C. Holding of significant securities at the end of the period (excluding the portion held due to investment in a subsidiary or an associate, and the portion held due to an interest in a joint venture): Please refer to Table 2.
- D. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to Table 3.
- E. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital or more: None.
- F. Business relationship and significant transactions between the parent company and its subsidiaries: Please refer to Table 4.

(2) Information on investees

Information on names and locations of investees (excluding investees in Mainland China): Please refer to Table 5.

(3) Information on investments in Mainland China

- A. Basic information: Please refer to Table 6.
- B. Significant transactions with investees in Mainland China, either directly or indirectly, through a business in a third region: Please refer to Note 13(1).

14. Segments Information

(1) General information

The Group's management has identified reportable segments based on the reporting information used by the board of directors in making decisions.

The Group as a whole belongs to an operating segment for manufacturing, maintaining, and trading electronic components. The information provided to chief operating decision makers to allocate resources and evaluate segment performance is focused on the operating results of the Group. The information on the Group's segment assets and liabilities is not provided to the main management for decision-making purposes, so there is no need to disclose segment assets and liabilities.

(2) Evaluation of segment information

The Group's board of directors evaluates the performance of each operating segment based on its profit and loss. Interest income and expenses were not apportioned to the operating segments as this task is managed by the finance department, which is responsible for the Company's cash position.

(3) Information on segment profit or loss, assets, and liabilities

The information on reportable segments provided to the chief operating decision-maker is as follows:

| 2025 | Highlight Tech Corp. | Highlight Tech (Shanghai) Corp. | Finesse Technology Co., Ltd. and its subsidiaries | Others | Reconciliation and write-off | Consolidated |
|-------------------------------|----------------------|---------------------------------|---|-------------------|------------------------------|---------------------|
| External revenue | \$ 1,896,930 | \$ 762,000 | \$ 668,853 | \$ 425,870 | \$ - | \$ 3,753,653 |
| Inter-segment revenue | 244,863 | 11,257 | 2,220 | 17,852 | (276,192) | - |
| Segment revenue | <u>\$ 2,141,793</u> | <u>\$ 773,257</u> | <u>\$ 671,073</u> | <u>\$ 443,722</u> | <u>(\$ 276,192)</u> | <u>\$ 3,753,653</u> |
| Segment profit or loss | <u>\$ 163,745</u> | <u>\$ 48,582</u> | <u>\$ 73,352</u> | <u>\$ 47,908</u> | <u>\$ 17,801</u> | <u>\$ 351,388</u> |
| Depreciation and amortization | <u>\$ 171,900</u> | <u>\$ 45,198</u> | <u>\$ 27,278</u> | <u>\$ 23,452</u> | <u>\$ 1,034</u> | <u>\$ 268,862</u> |

| 2024 | Highlight Tech Corp. | Highlight Tech (Shanghai) Corp. | Finesse Technology Co., Ltd. and its subsidiaries | Others | Reconciliation and write-off | Consolidated |
|-------------------------------|----------------------|---------------------------------|---|-------------------|------------------------------|---------------------|
| External revenue | \$ 2,146,615 | \$ 787,967 | \$ 751,035 | \$ 248,650 | \$ - | \$ 3,934,267 |
| Inter-segment revenue | 197,179 | 7,421 | 9,223 | 15,092 | (228,915) | - |
| Segment revenue | <u>\$ 2,343,794</u> | <u>\$ 795,388</u> | <u>\$ 760,258</u> | <u>\$ 263,742</u> | <u>(\$ 228,915)</u> | <u>\$ 3,934,267</u> |
| Segment profit or loss | <u>\$ 275,481</u> | <u>\$ 47,395</u> | <u>\$ 98,493</u> | <u>\$ 35,622</u> | <u>(\$ 2,715)</u> | <u>\$ 454,276</u> |
| Depreciation and amortization | <u>\$ 173,176</u> | <u>\$ 29,547</u> | <u>\$ 23,801</u> | <u>\$ 23,554</u> | <u>\$ 1,034</u> | <u>\$ 251,112</u> |

Segment profit or loss refers to the profit earned by each segment, excluding non-operating income and expenditures and income tax expenses. The amounts measured are provided to the chief operating decision maker to allocate resources to the segment and measure its performance.

(4) Information on the reconciliation of segment profit or loss

Inter-segment sales are conducted on an arm's length basis. The external revenue that the Company presented to the chief operating decision-maker is measured in the same manner as used for the revenue in the income statement.

The reconciliation of segment profit or loss and pre-tax net income or loss of continuing operations for the years ended Dec. 31, 2025 and 2024 is as follows:

| | For the Years Ended Dec. 31 | |
|---|-----------------------------|------------|
| | 2025 | 2024 |
| Segment income | \$ 351,388 | \$ 454,276 |
| Interest income | 10,883 | 8,851 |
| Other income | 15,865 | 10,129 |
| Other gains or losses | 6,549 | 16,955 |
| Financial costs | (55,139) | (45,435) |
| Share of profit or loss on associates accounted for using equity method | 16,710 | 4,116 |

| | For the Years Ended Dec. 31 | |
|-----------------------|-----------------------------|------------|
| | 2025 | 2024 |
| Net income before tax | \$ 346,256 | \$ 448,892 |

(5) Information on product and service categories

Please refer to Note 6 (20) for details.

The detailed composition of income balance is as follows:

| | For the Years Ended Dec. 31 | |
|--------------------------------|-----------------------------|--------------|
| | 2025 | 2024 |
| Revenue from merchandise sales | \$ 2,295,930 | \$ 2,530,585 |
| Service income | 1,452,252 | 1,396,195 |
| Others | 5,471 | 7,487 |
| Total | \$ 3,753,653 | \$ 3,934,267 |

(6) Segment by geographical location

Information of the Group for the years 2025 and 2024 by region is as follows:

| | For the Years Ended Dec. 31 | | | |
|--------|-----------------------------|--------------------|--------------|--------------------|
| | 2025 | | 2024 | |
| | Revenue | Non-current assets | Revenue | Non-current assets |
| Taiwan | \$ 2,854,715 | \$ 3,185,426 | \$ 3,025,770 | \$ 3,451,265 |
| China | 893,694 | 187,577 | 908,497 | 209,911 |
| Japan | 2,750 | 87,823 | - | 86,700 |
| USA | 2,494 | 2,651 | - | - |
| Total | \$ 3,753,653 | \$ 3,463,477 | \$ 3,934,267 | \$ 3,747,876 |

(7) Information on important customers

Information on important customers of the Group for the years 2025 and 2024 is as follows:

| | For the Years Ended Dec. 31 | |
|-----------|-----------------------------|------------|
| | 2025 | 2024 |
| | Revenue | Revenue |
| Company A | \$ 810,510 | \$ 851,855 |

Highlight Tech Corp. and its Subsidiaries
Endorsement/Guarantee Provided
Dec. 31, 2025

Table 1

Unit: NTD thousand (unless otherwise specified)

| No. (Note 1) | Endorsement/ Guarantee Provider | Party Endorsed/Guaranteed | | Limit of Endorsement/ Guarantee for Single Enterprise (Note 3) | Maximum Endorsement/ Guarantee Balance in this Period | Ending Balance of Endorsements/ Guarantees Provided | Amount Actually Drawn | Amount of Endorsements/ Guarantees with Assets Pledged | Ratio of Accumulated Endorsement/ Guarantee Amount to the Net Worth as Shown Through Financial Statement of the Most Recent Term | Upper Limit on Endorsements/ Guarantees (Notes 4 & 5) | Parent Company to Subsidiary | Subsidiary to Parent Company | To Entity in Mainland China | Remarks |
|-----------------|------------------------------------|-------------------------------|--------------------------|--|--|--|--------------------------|---|--|--|------------------------------------|---------------------------------|--------------------------------|---------|
| | | Company Name | Relationship (Note 2) | | | | | | | | | | | |
| 0 | Highlight Tech Corp. | HIGHLIGHT TECH JAPAN Co., Ltd | 3 | \$ 930,613 | \$ 160,720 | \$ 160,640 | \$ 84,336 | \$ - | 5.18% | \$ 1,551,022 | Y | N | N | - |
| 0 | Highlight Tech Corp. | Litho Med Trading Co., Ltd. | 3 | 620,409 | 60,000 | 30,000 | 300 | - | 0.97% | 1,551,022 | Y | N | N | - |
| 0 | Highlight Tech Corp. | TetraTrio Tech Co., Ltd. | 3 | 620,409 | 450,000 | 450,000 | 158,340 | - | 14.51% | 1,551,022 | Y | N | N | - |

Note 1: How the fields should be entered is stated below:

- (1) The issuer is coded "0".
- (2) The investees are coded sequentially beginning from "1" by each individual company.

Note 2: (1) A company with which it does business.

- (2) A company in which the Company directly or indirectly holds more than 50% of the voting shares.
- (3) A company that directly or indirectly holds more than 50% of the voting shares in the Company.
- (4) A company in which the Company directly or indirectly holds more than 90% of the voting shares.

Note 3: The limit of endorsement/guarantee for a single enterprise is 20% of the net worth of the Company or any of its subsidiaries at the end of the period, but for a single overseas associate, it shall not exceed 30% of the net worth of the Company or any of its subsidiaries at the end of the period.

Note 4: The upper limit of endorsements/guarantees provided to external entities is 50% of the Company's net worth at the end of the period.

Note 5: The upper limit of endorsements/guarantees provided to external entities by a subsidiary is 50% of the subsidiary's net worth at the end of the period.

Note 6: The total external endorsements/guarantees provided by the Company and its subsidiaries are limited to no more than 50% of the net consolidated worth at the end of the period, and the total endorsements/guarantees provided to a single enterprise is limited to no more than 20% of the net consolidated worth at the end of the period, except for a single overseas associate, which shall not exceed 30% of the net consolidated worth at the end of the period.

Highlight Tech Corp. and its Subsidiaries

Holding of significant securities at the end of the period (excluding the portion held due to investment in a subsidiary or an associate, and the portion held due to an interest in a joint venture)

Dec. 31, 2025

Table 2

Unit: NTD thousand (unless otherwise specified)

| Holding Company | Type and Name of Marketable Securities | | Marketable Securities Relationship with Securities | | End of Period | | | | |
|--------------------------------|--|-------------------------------|--|--|--|-----------------|--------------------|------------|---------|
| | Type | Name | Issuer | Classification | Number of Shares (par value)/ Number of Units (share) | Carrying Amount | Shareholding Ratio | Fair Value | Remarks |
| Shanorm Tech Co., Ltd. | Stocks | ProMOS Technologies Inc. | - | Financial assets at FVTOCI - non-current | 2,210 | \$ 22 | - | \$ 22 | - |
| Schmidt Scientific Taiwan Ltd. | Stocks | Syntec Scientific Corporation | - | Financial assets at FVTOCI - non-current | 598,500 | 5,985 | 4.52% | 5,985 | - |

Highlight Tech Corp. and its Subsidiaries

Purchases or Sales of Goods from or to Related Parties Reaching NT\$100 Million or 20% of Paid-in Capital or More

For the Year Ended Dec. 31, 2025

Table 3

Unit: NTD thousand (unless otherwise specified)

| Buyer/Seller | Related Party | Relationship | Transaction Details | | | | Circumstances and Reasons that Transaction Conditions are Different from General Ones | Notes or Accounts Receivable (Payable) | | Remarks | |
|--------------------------|--------------------------|---------------------------|---------------------|-------------|--|-------------------------------------|---|--|---|----------|---|
| | | | Purchases/ Sales | Amount | As a Percentage of Total Purchases (Sales) | Credit Period | | Ending Balance | As a Percentage of Total Notes or Accounts Receivable (Payable) | | |
| Highlight Tech Corp. | TetraTrio Tech Co., Ltd. | Subsidiary of the Company | (Sales) | \$ 108,549 | 5.07% | Open account (O/A) with net 90 days | There is no major difference in the unit price of various components sold from that offered to regular customers; the customized products and the parts of each customer's customized products for maintenance and replacement are different, so the prices cannot be compared. | No major difference | \$ 3,196 | 0.94% | - |
| TetraTrio Tech Co., Ltd. | Highlight Tech Corp. | The Company | Purchases | (108,549) | (49.82%) | Open account (O/A) with net 90 days | There is no major difference in the unit price of various components sold from that offered to regular customers; the customized products and the parts of each customer's customized products for maintenance and replacement are different, so the prices cannot be compared. | No major difference | (3,196) | (14.53%) | - |

Note 1: If the transaction conditions for related parties are different from the general ones, the differences and reasons should be stated in the unit price and the credit period fields.

Note 2: If there is an advance receipt (prepayment), the reason, contract terms, amount, and differences from general transactions should be stated in the remarks field.

Note 3: "Paid-in capital" refers to the paid-in capital of the parent company. If the issuer's stock is no-par-value stock, or the par value per share is not NT\$10, regarding the requirement that the transaction amount shall not exceed 20% of the paid-in capital, 10% of the equity attributable to the owner of the parent company on the balance sheet shall prevail.

Highlight Tech Corp. and its Subsidiaries

Business Relationship and Significant Transactions Between the Parent Company and its Subsidiaries

For the Year Ended Dec. 31, 2025

Table 4

Unit: NTD thousand (unless otherwise specified)

| No. (Note 1) | Name of Company | Transaction Counterparty | Relations with Company (Note 2) | Transaction Details | | | As a Percentage of the Total Consolidated Revenue or Total Assets (Note 3) |
|-----------------|--|---|------------------------------------|---------------------|-----------|-----------------------------|--|
| | | | | Classification | Amount | Transaction Conditions | |
| 0 | Highlight Tech Corp. | Highlight Tech (Shanghai) Corp. | 1 | Sales revenue | \$ 59,669 | Agreed upon by both parties | 1.59% |
| 0 | Highlight Tech Corp. | Highlight Tech (Shanghai) Corp. | 1 | Accounts receivable | 3,821 | Agreed upon by both parties | 0.05% |
| 0 | Highlight Tech Corp. | TetraTrio Tech Co., Ltd. | 1 | Sales revenue | 108,549 | Agreed upon by both parties | 2.89% |
| 0 | Highlight Tech Corp. | TetraTrio Tech Co., Ltd. | 1 | Accounts receivable | 3,196 | Agreed upon by both parties | 0.04% |
| 0 | Highlight Tech Corp. | Shanorm Tech Co., Ltd. | 1 | Sales revenue | 64,613 | Agreed upon by both parties | 1.72% |
| 0 | Highlight Tech Corp. | Shanorm Tech Co., Ltd. | 1 | Accounts receivable | 6,195 | Agreed upon by both parties | 0.08% |
| 0 | Highlight Tech Corp. | Shanorm Tech Co., Ltd. | 1 | Contract assets | 16,169 | Agreed upon by both parties | 0.21% |
| 1 | Finesse Technology Co., Ltd. | Finesse Technology (Shanghai) Co., Ltd. | 3 | Sales revenue | 20,283 | Agreed upon by both parties | 0.54% |
| 1 | Finesse Technology Co., Ltd. | Finesse Technology (Shanghai) Co., Ltd. | 3 | Accounts receivable | 7,838 | Agreed upon by both parties | 0.10% |
| 1 | Finesse Technology Co., Ltd. | Highlight Tech System (Shanghai) Corp. | 3 | Sales revenue | 38,297 | Agreed upon by both parties | 1.02% |
| 1 | Finesse Technology Co., Ltd. | Highlight Tech System (Shanghai) Corp. | 3 | Accounts receivable | 18,549 | Agreed upon by both parties | 0.24% |
| 2 | Highlight Tech System (Shanghai) Corp. | Finesse Technology (Shanghai) Co., Ltd. | 3 | Sales revenue | 14,687 | Agreed upon by both parties | 0.39% |
| 2 | Highlight Tech System (Shanghai) Corp. | Finesse Technology (Shanghai) Co., Ltd. | 3 | Accounts receivable | 1,016 | Agreed upon by both parties | 0.01% |

Note 1: Information on business transactions between the parent company and its subsidiaries should be indicated in the number field. The number should be entered as follows:

- (1) Enter 0 for the parent company.
- (2) Subsidiaries are numbered sequentially according to company name from Arabic numeral 1.

Note 2: There are the three types of "Relations with company", just indicate the type (if it is the same transaction between a parent company and a subsidiary of its or between its subsidiaries, there is no need to disclose it repeatedly. For example, as for a transaction between the parent company and a subsidiary of its, if the parent company has disclosed it, the subsidiary does not need to disclose it again; as for a transaction between its subsidiaries, if one subsidiary has disclosed it, the other one does not need to disclose it again):

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

Note 3: The calculation of a transaction as a percentage of the total consolidated revenue or total assets. If it is an asset and a liability, the ending balance should be divided by the consolidated total assets; if it is a profit or a loss, the interim cumulative amount should be divided by the total consolidated revenue.

Note 4: The Company may decide whether the important transactions in this table need to be listed based on the principle of materiality.

Highlight Tech Corp. and its Subsidiaries

Information on Investees

For the Year Ended Dec. 31, 2025

Table 5

Unit: NTD thousand (unless otherwise specified)

| Name of Investor | Name of Investee (Notes 1 & 2) | Location | Main Business Activities | Initial Investment Amount | | Held at the End of Period | | | Current Profit or Loss of Investees (Note 2(2)) | Investment Income or Loss Recognized in this Period (Note 2(3)) | Remarks |
|----------------------|------------------------------------|------------------------|---|-------------------------------------|---------------------------------------|---------------------------|-------------------|-----------------|---|--|------------|
| | | | | End of Current Period | End of Last Year | Number of Shares | Percentage (%) | Carrying Amount | | | |
| Highlight Tech Corp. | Highlight Tech International Corp. | British Virgin Islands | Holding company of indirect investment in Mainland China | \$ 718,176 (USD 22,850 thousand) | \$ 1,001,046 (USD 31,850 thousand) | 18,414,695 | 100.00 | 564,410 | \$ 49,766 | \$ 49,996 | Subsidiary |
| Highlight Tech Corp. | Finesse Technology Co., Ltd. | Hsinchu County | Electronic components, mechanical equipment maintenance and sales of related components | 217,061 | 217,061 | 10,189,353 | 30.17 | 380,358 | 69,122 | 20,902 | Subsidiary |
| Highlight Tech Corp. | Shanorm Tech Co., Ltd. | Hsinchu County | Maintenance of mechanical equipment and electronic parts and retail of mechanical appliances and electronic materials | 114,831 | 114,831 | 8,600,000 | 100.00 | 114,586 | 5,677 | 4,643 | Subsidiary |
| Highlight Tech Corp. | Schmidt Scientific Taiwan Ltd. | Taipei City | Sales and maintenance of medical equipment, electronic parts, optical instruments, semiconductor and optoelectronic process facilities, testing equipment, and automatic solar cell stringer machines | 1,655 | 1,586 | 2,558,046 | 61.12 | 80,344 | 19,206 | 11,730 | Subsidiary |
| Highlight Tech Corp. | Highlight Tech Japan Co., Ltd. | Japan | Sales of electronic equipment, manufacturing of vacuum components, and sales and maintenance of vacuum equipment | 39,959 (JPY 199,000 thousand) | 20,080 (JPY 100,000 thousand) | 19,900 | 100.00 | 7,478 | (20,529) | (20,529) | Subsidiary |
| Highlight Tech Corp. | Highlight Tech US LLC | USA | Sales of electronic equipment, manufacturing of vacuum components, and sales and maintenance of vacuum equipment | 15,715 (USD 500 thousand) | - | - | 100.00 | 14,648 | (1,059) | (1,059) | Subsidiary |
| Highlight Tech Corp. | Litho Med Trading Co., Ltd. | Tainan City | Wholesale and retail of medical equipment and machinery | 50,000 | 50,000 | 5,000,000 | 100.00 | 70,201 | 9,347 | 13,012 | Subsidiary |
| Highlight Tech Corp. | TetraTrio Tech Co., Ltd. | Tainan City | Maintenance of mechanical equipment and electronic parts | 22,500 | - | 2,250,000 | 75.00 | 40,410 | 23,880 | 17,910 | Subsidiary |

| Name of Investor | Name of Investee (Notes 1 & 2) | Location | Main Business Activities | Initial Investment Amount | | Held at the End of Period | | | Current Profit or Loss of Investees (Note 2(2)) | Investment Income or Loss Recognized in this Period (Note 2(3)) | Remarks |
|------------------------------|---|----------------|---|---------------------------------|---------------------------------|---------------------------|-------------------|-----------------|---|--|---|
| | | | | End of Current Period | End of Last Year | Number of Shares | Percentage (%) | Carrying Amount | | | |
| Highlight Tech Corp. | Htc & Solar Tech Service Limited | Hsinchu County | Equipment maintenance and cleaning business | 112,119 | 117,024 | 11,805,552 | 34.31 | 216,971 | 47,777 | 16,710 | Investees accounted for using the equity method Subsidiary |
| Finesse Technology Co., Ltd. | Schmidt Scientific Taiwan Ltd. | Taipei City | Sales and maintenance of medical equipment, electronic parts, optical instruments, semiconductor and optoelectronic process facilities, testing equipment, and automatic solar cell stringer machines | \$ - | \$ - | 635,270 | 15.18 | \$ 19,954 | \$ 19,206 | \$ 2,915 | |
| Finesse Technology Co., Ltd. | Highlight Tech System International Limited | Samoa | Holding company of indirect investment in Mainland China | 29,859 (USD 950 thousand) | 29,859 (USD 950 thousand) | 950,000 | 100.00 | 88,562 | 8,973 | 8,973 | Subsidiary |
| Finesse Technology Co., Ltd. | Finesse Technology Co., Ltd. | Japan | Key subsystem development, material sourcing, manufacturing, assembly, testing, sales and maintenance services for semiconductor equipment. | 18,072 (JPY 90,000 thousand) | 18,072 (JPY 90,000 thousand) | 9,000 | 100.00 | 15,496 | (250) | (250) | Subsidiary |
| Finesse Technology Co., Ltd. | Seiki Semiconductor Co., Ltd. | Hsinchu County | Production and sales of chip and wafer bonding equipment; production and sales of ion beam surface treatment equipment; wafer bonding services and foundry. | 9,500 | - | 950,000 | 52.78 | 7,645 | (2,683) | (1,855) | Subsidiary |

Note 1: If a public issuer has a foreign holding company and takes the consolidated financial statements as the main financial report in accordance with local laws and regulations, it may disclose relevant information only on the holding company as for the requirement for the disclosure of information on the foreign investees.

Note 2: If the situation is not as stated in Note 1, please enter the fields according to the rules below:

- (1) The fields "Name of investee", "Location", "Main business activities", "Initial investment amount", and "Shareholding at the end of the period" should be entered in order according to the investments by the company (public issuer) and investments by each directly or indirectly controlled investee; and the relationship between each investee and the company (public issuer) (such as a subsidiary or sub-subsidiary) should be indicated in the Remarks field.
- (2) As for the field "Current profit or loss of investee", current profit or loss of each investee should be entered.
- (3) As for the field "Investment income or loss recognized in this period", it is only necessary to enter the amount of profit and loss of each subsidiary recognized by the company (public issuer) as a direct investment and each investees accounted for using the equity method. As for the field "Current profit or loss of each subsidiary recognized as a direct investment", it is necessary to confirm that the amount of current profit and loss of each subsidiary has included the investment income and loss from such subsidiaries' investments that should be recognized in accordance with regulations.

Note 3: Please refer to Table 6 for relevant information on investees in Mainland China.

Note 4: It is only necessary to list the amount of profit and loss of each subsidiary recognized by the Company as a direct reinvestment and each subsidiaries accounted for using the equity method.

Highlight Tech Corp. and its Subsidiaries
Information on Investments in Mainland China - Basic Information
For the Year Ended Dec. 31, 2025

Table 6

| Name of Investee | Main Business Activities | Paid-in Capital (Note 3) | Method of Investments (Note 1) | Cumulative Amount of Remittance from Taiwan to Mainland China, Beginning of Current Period | Amount Remitted from Taiwan to Mainland China/Amount Remitted Back to Taiwan for Current Period | | Cumulative Amount of Remittance from Taiwan to Mainland China, End of Current Period | Current Profit or Loss of Investees | Shareholding ratio of the Company (Direct or Indirect) | Investment Income or Loss Recognized in the Current Period (Note 2) | Carrying Amount of Investments at the End of the Period | Cumulative Amount of Investment Income Repatriated to Taiwan as of the Current Period | Remarks | |
|--|--|---|---|--|---|---------------------------------------|---|---|--|--|---|---|------------------------|--|
| | | | | | Outflow | Inflow | | | | | | | | |
| | | | | | Unit: NTD thousand (unless otherwise specified) | | | | | | | | | |
| Highlight Tech (Shanghai) Corp. | Sales of electronic equipment, manufacturing of vacuum components, and sales and maintenance of vacuum equipment | \$ 636,458 (USD 20,250 thousand) | Highlight Tech International Corp. | \$ 919,328 (USD 29,250 thousand) | - | \$ 282,870 (USD 9,000 thousand) | \$ 636,458 (USD 20,250 thousand) | \$ 49,736 | 100% | \$ 49,736 | \$ 573,755 | \$ - | Note 1(2) Note 2(2) | |
| Highlight Tech System (Shanghai) Corp. | Surface treatment, automatic control equipment engineering, mechanical equipment manufacturing, electronic component design, manufacturing wholesale and retail. | 28,287 (USD 900 thousand) | Highlight Tech System International Limited | 28,287 (USD 900 thousand) | - | - | 28,287 (USD 900 thousand) | 9,048 | 100% | 9,048 | 87,746 | - | Note 1(2) Note 2(1) | |
| Finesse Technology (Shanghai) Co., Ltd. | Electronic components, mechanical and electrical equipment maintenance and sales. | 9,429 (USD 300 thousand) | Finesse Technology Co., Ltd. | 9,429 (USD 300 thousand) | - | - | 9,429 (USD 300 thousand) | 4,149 | 100% | 4,149 | 37,113 | - | Note 1(1) Note 2(1) | |
| Company Name | Cumulative Amount of Remittance from Taiwan to Mainland China, End of Current Period | Investment Amount Approved by the Investment Commission of MOEA | Limit on Investments in Mainland China imposed by the Investment Commission | | | | | | | | | | | |
| The Company | \$ 636,458 (USD 20,250 thousand) | \$ 900,470 (USD 28,650 thousand) | \$ 1,861,226 | | | | | | | | | | | |
| Finesse Technology Co., Ltd. | 37,716 (USD 1,200 thousand) | 37,716 (USD 1,200 thousand) | 698,817 | | | | | | | | | | | |

Note 1: Investment methods are divided into the following three types, just enter the code:

- (1) Direct investment in Mainland China.
- (2) Indirect investment in mainland China through third-region companies (please indicate the investment companies in the third regions).
- (3) Other methods.

Note 2: The basis of recognizing investment income or loss is divided into the three types below, which should be indicated.

- (1) Financial statements audited by an international accounting firm with a partnership with an accounting firm in the Republic of China.
- (2) Financial statements audited by CPAs appointed by the parent company in Taiwan.
- (3) Others.

Note 3: Relevant figures in this table should be presented in NTD, and USD were translated into NTD at an exchange rate of US\$1 to NT\$31.43.