

**WIN WIN PRECISION TECHNOLOGY CO.,
LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2025 AND 2024**

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.

WIN WIN PRECISION TECHNOLOGY CO., LTD.

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2025, pursuant to “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises,” the entity that is required to be included in the consolidated financial statements of affiliates, is the same as the entity required to be included in the consolidated financial statements of parent and subsidiary companies under International Financial Reporting Standard 10 (IFRS10). Additionally, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

Win Win Precision Technology Co., Ltd.

Representative:

March 10, 2026

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR24000496

To Win Precision Technology Co., Ltd.

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2025 are stated as follows:

Recognition of revenue from major customers of solar photovoltaic modules ***Description***

For the accounting policies on revenue recognition, please refer to Note 4(28); and for the details of revenue, please refer to Note 6(20).

The Group is primarily engaged in the sales of solar photovoltaic modules as well as the research, development, manufacturing, and sales of semiconductor parts. For the year ended December 31, 2025, the Group's revenue from sales of solar photovoltaic modules accounted for about 44% of its operating revenue, which was material to the consolidated financial statements. Additionally, due to changes in the global supply and demand of clean energy, the ranking of important customers of solar photovoltaic modules of the Group may change, and the sales amount will also have a large fluctuation due to the capital expenditure plans of the customers. Thus, we considered the recognition of revenue from major customers of solar photovoltaic modules as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the recognition of revenue from major customers of solar photovoltaic modules:

1. Obtained an understanding and tested the design and implementation of internal controls over revenue recognition from solar photovoltaic modules, including credit evaluation of new sales customers.
2. Obtained detailed listing of solar photovoltaic module sales revenue, and selected samples of and tested customer orders, delivery orders and receipt documents.
3. Selected samples to perform confirmation of accounts receivable on the balance sheet date or to inspect the recovery of accounts receivable and tested the collection after the balance sheet date.

4. Inspected whether there were material sales returns and discounts after the balance sheet date.

Valuation of inventory

Description

For the accounting policies of inventory, please refer to Note 4(12); and for the accounting estimates of valuation of inventory and assumption uncertainty, please refer to Note 5; and for details on loss on inventory valuation, please refer to Note 6(5).

The Group is primarily engaged in the sales of solar photovoltaic modules as well as the research, development, manufacturing, and sales of semiconductor parts. Due to the rapid changes and highly competitive in the solar photovoltaic and semiconductor markets, the continuous introduction of new products may lead to fluctuations in product prices or product sales may not be as expected, which will affect the estimated net realisable value of inventory evaluation.

The Group recognises inventories at the lower of cost and net realisable value and individually identifies whether inventories over a certain age are obsolete, poor-quality, damaged or determined as beyond repair, which often involves the management's judgments. Given that the Group's inventories and the allowance for inventory valuation losses were material to the consolidated financial statements, we considered the valuation of inventories as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the inventory valuation:

1. Assessed the reasonableness of accounting policies and procedures in relation to inventory valuation, including the classification of inventories in determining the net realisable value and the reasonableness of determining obsolete inventories.
2. Inspected the Group's annual physical inventory count plan and participated in the annual inventory count in order to assess the effectiveness of the classification of obsolete inventory and internal control over obsolete inventory.
3. Verified the classification used by the Group to determine obsolete inventories and the amount of net realisable value, recalculated the loss of inventory and further assessed the reasonableness.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of Win Win Precision Technology Co., Ltd. as at and for the years ended December 31, 2025 and 2024.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

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

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Lin, Se-Kai

Wen, Ya-Fang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 10, 2026

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2025		December 31, 2024		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 871,900	38	\$ 856,943	43
1110	Financial assets at fair value through profit or loss, current	6(2)	-	-	1,451	-
1140	Contract-assets, current	6(20)	21,758	1	-	-
1150	Notes receivable, net	6(4)	19,715	1	1,867	-
1170	Accounts receivable, net	6(4)	386,496	17	263,543	13
1180	Accounts receivable due from related parties, net	7(2)	-	-	6,159	-
1200	Other receivables		949	-	2,695	-
1210	Other receivables due from related parties	7(2)	-	-	82	-
1220	Current income tax assets		29,312	1	27,619	2
130X	Inventories	6(5)	639,895	28	553,294	28
1410	Prepayments	6(6)	60,537	3	69,638	4
1479	Other current assets, other		895	-	1,493	-
1482	Current assets recognised from costs to fulfil contracts with customers		4,461	-	945	-
11XX	Total Current Assets		<u>2,035,918</u>	<u>89</u>	<u>1,785,729</u>	<u>90</u>
Non-current assets						
1517	Financial assets at fair value through other comprehensive income, non-current	6(3)(7)	4,316	-	-	-
1600	Property, plant and equipment	6(8)	64,446	3	45,032	2
1755	Right-of-use assets	6(9)	60,473	3	41,827	2
1780	Intangible assets	6(10)	10,087	1	8,022	1
1840	Deferred income tax assets	6(27)	76,606	3	77,149	4
1900	Other non-current assets	8	31,180	1	26,543	1
15XX	Total non-current assets		<u>247,108</u>	<u>11</u>	<u>198,573</u>	<u>10</u>
1XXX	Total assets		<u>\$ 2,283,026</u>	<u>100</u>	<u>\$ 1,984,302</u>	<u>100</u>

(Continued)

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(12)	\$ 45,501	2	\$ 38,942	2
2120	Financial liabilities at fair value through profit or loss, current	6(2)	2,656	-	-	-
2130	Contract liabilities, current	6(20)	34,446	1	10,401	-
2170	Accounts payable		176,229	8	128,684	6
2200	Other payables	6(13)	222,935	10	169,624	9
2230	Current income tax liabilities		36,818	2	1,522	-
2250	Provisions for liabilities, current	6(16)	21,537	1	10,353	1
2280	Current lease liabilities		27,676	1	18,297	1
2300	Other current liabilities		3,369	-	13,234	1
21XX	Total Current Liabilities		<u>571,167</u>	<u>25</u>	<u>391,057</u>	<u>20</u>
Non-current liabilities						
2550	Provisions for liabilities, non-current	6(16)	14,999	1	14,810	1
2570	Deferred income tax liabilities	6(27)	1,864	-	948	-
2580	Non-current lease liabilities		32,170	1	20,777	1
2670	Other non-current liabilities	6(7)	-	-	2,374	-
25XX	Total non-current liabilities		<u>49,033</u>	<u>2</u>	<u>38,909</u>	<u>2</u>
2XXX	Total Liabilities		<u>620,200</u>	<u>27</u>	<u>429,966</u>	<u>22</u>
Equity						
Share capital						
3110	Ordinary shares	6(17)	674,326	30	668,665	34
3140	Advance receipts for share capital		2,705	-	1,575	-
Capital surplus						
3200	Capital surplus	6(18)	568,854	25	561,084	28
Retained earnings						
3310	Legal reserve	6(19)	83,627	4	83,627	4
3320	Special reserve		34,159	1	36,633	2
3350	Undistributed retained earnings		293,985	13	236,911	12
Other equity interest						
3400	Other equity interest		5,170	-	(34,159)	(2)
3XXX	Total equity		<u>1,662,826</u>	<u>73</u>	<u>1,554,336</u>	<u>78</u>
Significant contingent liabilities and unrecognised contract commitments						
Significant subsequent events						
3X2X	Total liabilities and equity		<u>\$ 2,283,026</u>	<u>100</u>	<u>\$ 1,984,302</u>	<u>100</u>

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

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except earnings (losses) per share)

Items	Notes	Year ended December 31				
		2025		2024		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(20) and 7(2)	\$ 2,397,182	100	\$ 2,408,812	100
5000	Operating costs	6(5)	(1,528,962)	(64)	(1,796,773)	(75)
5900	Gross profit		868,220	36	612,039	25
5910	Unrealized profit from sales		-	-	(2,374)	-
5920	Realized profit from sales		2,374	-	-	-
5950	Net gross profit		870,594	36	609,665	25
	Operating expenses					
6100	Selling expenses		(358,395)	(15)	(377,404)	(16)
6200	General and administrative expenses		(250,289)	(11)	(250,138)	(10)
6300	Research and development expenses		(55,705)	(2)	(76,355)	(3)
6450	Expected credit impairment loss	12(2)	(4,409)	-	(259)	-
6000	Total operating expenses		(668,798)	(28)	(704,156)	(29)
6900	Operating profit (loss)		201,796	8	(94,491)	(4)
	Non-operating income and expenses					
7100	Interest income	6(21)	8,956	-	7,296	-
7010	Other income	6(22)	19,951	1	8,244	-
7020	Other gains and losses	6(23)	(57,591)	(2)	(25,089)	(1)
7050	Finance costs	6(24)	(3,215)	-	(5,489)	-
7060	Share of loss of associates and joint ventures accounted for using equity method	6(7)	-	-	(954)	-
7000	Total non-operating income and expenses		(31,899)	(1)	(15,992)	(1)
7900	Profit (loss) before income tax		169,897	7	(110,483)	(5)
7950	Income tax (expense) benefit	6(27)	(41,571)	(2)	20,233	1
8200	Profit (loss) for the year		\$ 128,326	5	\$ 90,250	(4)
	Other comprehensive income (net)					
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		\$ 39,329	2	\$ 2,474	-
8500	Total comprehensive income (loss) for the year		\$ 167,655	7	\$ 87,776	(4)
9750	Basic earnings (losses) per share	6(28)	\$ 1.91		\$ 1.40	
9850	Diluted earnings (losses) per share	6(28)	\$ 1.89		\$ 1.40	

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

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Share capital			Retained earnings			Financial statements translation differences of foreign operations	Total equity
		Ordinary shares	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve	Undistributed retained earnings		
<u>Year 2024</u>									
Balance at January 1, 2024		\$ 607,050	\$ -	\$ 444,237	\$ 64,197	\$ 38,509	\$ 490,407	(\$ 36,633)	\$ 1,607,767
Loss for the year		-	-	-	-	-	(90,250)	-	(90,250)
Other comprehensive income for the year		-	-	-	-	-	-	2,474	2,474
Total comprehensive (loss) income		-	-	-	-	-	(90,250)	2,474	(87,776)
Appropriation and distribution of retained earnings: 6(19)									
Legal reserve appropriated		-	-	-	19,430	-	(19,430)	-	-
Reversal of special reserve		-	-	-	-	(1,876)	1,876	-	-
Cash dividends		-	-	-	-	-	(145,692)	-	(145,692)
Issuance of shares	6(17)(18)	58,000	-	100,550	-	-	-	-	158,550
Exercise of employee stock options	6(15)	3,615	1,575	4,100	-	-	-	-	9,290
Compensation cost of share-based payment	6(15)	-	-	12,197	-	-	-	-	12,197
Balance at December 31, 2024		\$ 668,665	\$ 1,575	\$ 561,084	\$ 83,627	\$ 36,633	\$ 236,911	(\$ 34,159)	\$ 1,554,336
<u>Year 2025</u>									
Balance at January 1, 2025		\$ 668,665	\$ 1,575	\$ 561,084	\$ 83,627	\$ 36,633	\$ 236,911	(\$ 34,159)	\$ 1,554,336
Profit for the year		-	-	-	-	-	128,326	-	128,326
Other comprehensive income for the year		-	-	-	-	-	-	39,329	39,329
Total comprehensive income		-	-	-	-	-	128,326	39,329	167,655
Appropriation and distribution of retained earnings: 6(19)									
Reversal of special reserve		-	-	-	-	(2,474)	2,474	-	-
Cash dividends		-	-	-	-	-	(73,726)	-	(73,726)
Exercise of employee stock options	6(15)	5,661	1,130	4,909	-	-	-	-	11,700
Compensation cost of share-based payment	6(15)	-	-	2,857	-	-	-	-	2,857
Expired dividends not claimed by shareholders	6(18)	-	-	2	-	-	-	-	2
Exercise of disgorgement	6(18)	-	-	2	-	-	-	-	2
Balance at December 31, 2025		\$ 674,326	\$ 2,705	\$ 568,854	\$ 83,627	\$ 34,159	\$ 293,985	\$ 5,170	\$ 1,662,826

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

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax		\$ 169,897	(\$ 110,483)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense (including right-of-use assets)	6(8)(9)(25)	49,155	64,825
Amortisation expense	6(25)	2,367	2,699
Expected credit impairment loss	12(2)	4,409	259
Net loss on financial assets and liabilities at fair value through profit or loss	6(2)	4,231	2,370
Interest expense	6(24)	3,215	5,489
Interest income	6(21)	(8,956)	(7,296)
Compensation cost of share-based payment	6(15)	2,857	12,197
Share of loss of associates accounted for using equity method	6(7)	-	954
Gains on disposal of property, plant and equipment	6(23)	(2)	(1,090)
Impairment loss-property, plant and equipment	6(11)(23)	-	21,465
(Gains from reversal of) impairment loss-investments accounted for using the equity method	6(7)(23)	(4,279)	16,020
Loss on disposal of subsidiaries	6(23)	37,939	-
Unrealized profit from sales	6(23)	(2,374)	2,374
Reclassification of overdue advance receipts as income	6(22)	(10,477)	-
Gains from reversal of decommissioning liabilities	6(23)	-	(2,432)
Loss on lease modification	6(23)	-	62
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets, current		(21,758)	9,598
Notes receivable		(17,848)	6,368
Accounts receivable (including related parties)		(116,548)	(38,339)
Other receivables		2,487	(1,970)
Inventories		(84,223)	477,995
Prepayments		9,608	84,539
Other current assets		587	6
Assets recognised from costs to fulfil contracts with customers		(3,516)	1,320
Changes in operating liabilities			
Financial liabilities at fair value through profit or loss, current		(124)	(5,551)
Contract liabilities, current		24,157	(12,033)
Accounts payable		45,006	(10,673)
Other payables		42,777	(24,892)
Provisions for liabilities		11,184	(2,954)
Other current liabilities		709	1,474
Cash inflow generated from operations		140,480	492,301
Interest received		9,391	6,632
Interest paid		(3,146)	(5,202)
Income tax paid		(4,506)	(118,383)
Net cash flows from operating activities		<u>142,219</u>	<u>375,348</u>

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WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2025	2024
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(29)	(\$ 38,076)	(\$ 9,911)
Proceeds from disposal of property, plant and equipment		2	2,689
Acquisition of intangible assets	6(10)	(4,432)	(4,173)
Increase in guarantee deposit paid		(6,733)	(3,717)
Decrease in guarantee deposit paid		7,568	3,816
Net cash flows used in investing activities		(41,671)	(11,296)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from short-term loans	6(30)	361,175	391,112
Payments of short-term loans	6(30)	(354,616)	(527,282)
Payments of principal portion of lease liabilities	6(30)	(26,350)	(33,908)
Cash dividends paid	6(19)	(73,726)	(145,692)
Proceeds from issuance of shares	6(17)	-	158,550
Exercise of employee stock options	6(15)	11,700	9,290
Expired dividends not claimed by shareholders	6(18)	2	-
Exercise of disgorgement	6(18)	2	-
Net cash flows used in financing activities		(81,813)	(147,930)
Effect of exchange rates changes		(3,778)	(2,763)
Net increase in cash and cash equivalents		14,957	213,359
Cash and cash equivalents at beginning of year		856,943	643,584
Cash and cash equivalents at end of year		\$ 871,900	\$ 856,943

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

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

Win Win Precision Technology Co., Ltd. (the “Company”) was incorporated under the provisions of the Company Law of the Republic of China (R.O.C.) in November 2003 and started its operations in the same year. In December 2007, the Company expanded its business line in providing vertically integrated solar photovoltaic total solutions. The Company and its subsidiaries (collectively referred herein as “the Group”) are primarily engaged in manufacturing solar photovoltaic modules, system design, plan and integration services, as well as consumable parts of equipments for semiconductors industry, and maintenance services. The common stocks of the Company have been listed on the Taiwan Stock Exchange since May 2024.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorized for issuance by the Board of Directors on March 10, 2026.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS[®]”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2025 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, ‘Amendments to the classification and measurement of financial instruments’	January 1, 2026
Amendments to IFRS 9 and IFRS 7, ‘Contracts referencing nature-dependent electricity’	January 1, 2026
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 - comparative information’	January 1, 2023
Annual Improvements to IFRS Accounting Standards–Volume 11	January 1, 2026

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

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

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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 International Accounting Standards Board
IFRS 18, ‘Presentation and disclosure in financial statements’	January 1, 2027 (Note)
IFRS 19, ‘Subsidiaries without public accountability: disclosures’	January 1, 2027
Amendments to IAS 21, ‘Translation to a Hyperinflationary Presentation Currency’	January 1, 2027

Note: The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.

Except for IFRS 18 whose impact will be disclosed when the assessment is complete, the above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

IFRS 18, ‘Presentation and disclosure in financial statements’

IFRS 18, ‘Presentation and disclosure in financial statements’ replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL 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) Compliance statement

These consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC[®] Interpretations, and SIC[®] Interpretations that came into effective as endorsed by the FSC (collectively referred herein as the “IFRSs”).

(2) Basis of preparation

- A. Except for financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, these consolidated financial statements have been prepared under the historical cost convention.
- B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis 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 of the subsidiaries and ceases when the Group loses control of the subsidiaries.
 - (b) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
 - (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Remark
			December 31, 2025	December 31, 2024	
The Company	WINAICO Solar Projekt 1	Operation of solar power plant	100	50	Note 1
"	WINAICO Australia PTY Ltd.	Sales of solar photovoltaic modules	100	100	
"	WINAICO B.V.	Investment holdings	-	100	Notes 1 and 2
"	WINAICO Deutschland GmbH	Sales of solar photovoltaic modules	100	-	Note 1
"	WINAICO Japan K.K.	Sales of solar photovoltaic modules	100	100	
"	WIN WIN Precision Technology Nanjing Co, Ltd.	Service provision and investment	100	100	
"	WINAICO Delaware Co., Ltd.	Sales of solar photovoltaic modules	100	100	
"	Win Win Green Energy Co.,	Service of energy management consul	100	100	
WINAICO B.V.	WINAICO Deutschland GmbH	Sales of solar photovoltaic modules	-	100	Note 1
"	WINAICO Solar Projekt 1 GmbH	Operation of solar power plant	-	50	Note 1

Note 1: Due to the simplification of the investment structure, in April 2025, the consolidated subsidiary, WINAICO B.V., sold its 100% of the shares of WINAICO Deutschland GmbH and 50% of the shares of WINAICO Solar Projekt 1 GmbH to the Company for \$18,488.

Note 2: To simplify the investment structure, the subsidiary, WINAICO B.V., cancelled its registration on October 9, 2025.

C. Subsidiaries not included in the consolidated financial statements: None.

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

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(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 (the "functional currency"). The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional and the Group's presentation currency.

A. Foreign currency transactions and balance

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

- (a) The operating results and financial position of all the group entities, associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - iii. All resulting exchange differences are recognized in other comprehensive income.
- (b) When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group still retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.
- (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
- (a) Assets that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;
 - (b) Assets that are held primarily for the purpose of trading;
 - (c) Assets that are expected to be realised within twelve months after the reporting period;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities for at least twelve months after the reporting period.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
- (a) Liabilities that are expected to be settled in the normal operating cycle;
 - (b) Liabilities that are held primarily for the purpose of trading;
 - (c) Liabilities that are due to be settled within twelve months after the reporting period;
 - (d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. 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 amortised cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.
- D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value ; The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(10) Impairment of financial assets

For financial assets at amortized cost at each reporting date, the Group recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Group recognizes the impairment provision for lifetime ECLs.

(11) Derecognition of financial assets

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

(12) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The cost of finished goods and work in process comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sales.

(13) Investments accounted for using the equity method / associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.
- B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise 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 ownership percentage of the associate, the Group recognises the Group's share of change in equity of the associate in 'capital surplus' in proportion to its ownership.
- D. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- E. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.
- F. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- G. At the balance sheet date, the Group performs an impairment test for an investment in an associate when there is an indication that the investment may be impaired. The entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

(14) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- B. Property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- C. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Machinery and equipment	3 ~ 10 years
Transportation equipment	8 years
Office equipment	3 ~ 5 years
Other equipment	2 ~ 19 years
Leasehold improvements	2 ~ 3 years

(15) Leasing arrangements (lessee) — right-of-use assets/ lease liabilities

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

- C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
- (a) The amount of the initial measurement of lease liability;
 - (b) Any lease payments made at or before the commencement date;
 - (c) Any original direct costs incurred; and
 - (d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

- D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss. For all other lease modifications, the lessee shall remeasure the lease liability and adjust the right-of-use asset, correspondingly.

(16) Intangible assets

A. Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 2 to 5 years.

B. Trademarks and patents

Separately acquired trademarks and licenses are stated at historical cost. Trademarks and patents have a finite useful life and are amortized on a straight-line basis over their estimated useful lives of 9 to 20 years.

(17) Impairment of non-financial assets

The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(18) Borrowings

Borrowings comprise short-term bank borrowings. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

(19) Accounts and notes payable

- A. Notes payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term accounts and notes payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(20) Financial liabilities at fair value through profit or loss

- A. Financial liabilities are classified in this category of held for trading. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.
- B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

(21) Derecognition of financial liabilities

A financial liability is derecognized when the obligation specified in the contract is either discharged or cancelled or expires.

(22) Provisions

Provisions (including warranties and decommissioning liabilities) are recognized when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognized as interest expense. Provisions are not recognized for future operating losses.

(23) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

B. Pensions

For defined contribution plans, the contributions are recognized as pension expenses when they are due 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.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those

amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(24) Employee share-based payments

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(25) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

- D. Deferred income 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 income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(26) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(27) Dividends

Cash dividends are recorded as liabilities in the Company's financial statements in the period in which they are resolved by the Company's Board of Directors. Stock dividends are recorded as stock dividends to be distributed in the period in which they are resolved by the Company's shareholders and are reclassified to ordinary shares on the effective date of new shares issuance.

(28) Revenue recognition

A. Sales of goods

- (a) The Group manufactures and sells solar photovoltaic modules and semiconductor products. Sales are recognized when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.
- (b) Revenue is measured at the fair value of the consideration received or receivable taking into account of business tax, returns and discounts for the sale of goods to external customers in the ordinary course of the Group's activities. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year for the agreements signed with customers, the Group does not adjust the transaction price to reflect the time value of money.

(c) A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Service revenue

The Group provides periodically maintenance service of semiconductor equipment and system integration technology of power storage equipment, and the revenue was recognised when the services are rendered.

C. Construction revenue

(a) The Group engages in the design of solar energy system and undertakes the construction. Because the assets are controlled by customers when building. Thus, the revenue is recognised according to the proportion of incurred construction cost shown in the estimated total cost or the proportion completion degree as of the end of reporting period with reference to the contract.

(b) The Group's revenue amount will be included in the contract revenue when it is highly likely that it would not be significantly reversed. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

(29) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses for the related costs for which the grants are intended to compensate.

(30) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker. The Chief Operating Decision-Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical estimates and assumptions concerning future events. Estimates and assumptions may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such estimates and assumptions have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

None.

(2) Critical accounting estimates and assumptions

Valuation of inventories

As inventories are stated at the lower of cost and net realizable value, the Group must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technological innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realizable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation. For the details of valuation of inventories, please refer to Note 6.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Cash on hand	\$ 1,683	\$ 1,054
Checking accounts and demand deposits	718,583	573,244
Time deposits	<u>151,634</u>	<u>282,645</u>
	<u>\$ 871,900</u>	<u>\$ 856,943</u>

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group has no cash and cash equivalents pledged to others.

(2) Financial assets and liabilities at fair value through profit or loss - Current

<u>Items</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Financial assets mandatorily measured at fair value through profit or loss		
Forward foreign exchange contracts	<u>\$ -</u>	<u>\$ 1,451</u>
Financial liabilities held for trading		
Forward foreign exchange contracts	<u>\$ 2,656</u>	<u>\$ -</u>

A. The Group recognised net loss of \$4,231 and \$2,370 on financial assets and liabilities measured at fair value through profit or loss for the years ended December 31, 2025 and 2024, respectively.

B. The Group entered into forward foreign exchange contracts to sell AUD (buy NTD), to hedge exchange rate risk of export proceeds. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

The summary of contracts not yet matured and entered into by the Group are as follows:

	<u>December 31, 2025</u>	
	<u>Contract amount</u> <u>(Notional principal)</u>	<u>Contract period</u>
Forward foreign exchange contracts	AUD 2,980 thousand	2025/08~2026/05
	<u>December 31, 2024</u>	
	<u>Contract amount</u> <u>(Notional principal)</u>	<u>Contract period</u>
Forward foreign exchange contracts	AUD 2,160 thousand	2024/09~2025/05

C. Information relating to credit risk of financial assets and liquidity risk of financial liabilities at fair value through profit or loss is provided in Notes 12(2) and (3).

(3) Financial assets at fair value through other comprehensive income (December 31, 2024 : Nil)

	<u>December 31, 2025</u>
Non-current items:	
Designation of equity instrument	
Unlisted stocks	\$ 4,279
Valuation adjustment	<u>37</u>
	<u>4,316</u>

A. The Group has elected to classify strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$4,316 as at December 31, 2025.

B. As at December 31, 2025, without taking into other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was \$4,316.

C. The Group has no financial assets at fair value through other comprehensive income pledged to others as collaterals.

D. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(3).

(4) Notes and accounts receivable

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Notes receivable	\$ 19,715	\$ 1,867
Accounts receivable	\$ 393,036	\$ 265,637
Less: Allowance for loss	(6,540)	(2,094)
	<u>\$ 386,496</u>	<u>\$ 263,543</u>

A. Notes receivables were not past due, and the ageing of accounts receivable is provided in Note 12(2).

The Group grants credit term to customers from 8 days to 180 days after the delivery date. Ageing analysis is conducted on the basis of the number of days overdue. Please refer to Note 12 for disclosures of credit risk and information on movement of impairment and analysis of accounts receivable.

B. As of December 31, 2025 and 2024, accounts receivable (including notes receivable) were all from contracts with customers. And as of January 1, 2024, the total balance of receivables from contracts with customers amounted to \$234,313 and loss allowance amounted to \$1,807.

C. The Group has no notes and accounts receivable pledged to others.

D. As of December 31, 2025 and 2024, without taking into other credit enhancements, the maximum hedge to credit risk in respect of the amount that best represents the Group's notes and accounts receivable were \$406,211 and \$ 265,410, respectively.

(5) Inventories

	December 31, 2025		
	Cost	Allowance for valuation loss	Carrying amount
Raw materials	\$ 121,114	(\$ 10,329)	\$ 110,785
Work in process	22,569	(89)	22,480
Finished goods	321,767	(75,298)	246,469
Products	211,485	(37,120)	174,365
Inventory in transit	85,796	-	85,796
	\$ 762,731	(\$ 122,836)	\$ 639,895
	December 31, 2024		
	Cost	Allowance for valuation loss	Carrying amount
Raw materials	\$ 106,600	(\$ 23,833)	\$ 82,767
Work in process	17,587	(101)	17,486
Finished goods	282,759	(115,535)	167,224
Products	206,169	(26,549)	179,620
Inventory in transit	106,197	-	106,197
	\$ 719,312	(\$ 166,018)	\$ 553,294

The cost of inventories recognized as expense for the period:

	Year ended December 31,	
	2025	2024
Cost of goods sold	\$ 1,396,240	\$ 1,660,722
(Gain on reversal of) loss on decline in market value	(42,734)	20,393
Construction costs	6,312	1,538
Loss from disposal of inventory	83	2,506
Loss from physical counts	34	-
Income from sale of scraps	(4,391)	(2,685)
	<u>\$ 1,355,544</u>	<u>\$ 1,682,474</u>

For the year ended December 31, 2025, due to the sale of some inventories whose net realizable value was lower than the cost, the gain from the reversal of inventory write-down was recovered.

(6) Prepayments

	December 31, 2025	December 31, 2024
Prepayments to suppliers	\$ 31,153	\$ 24,993
Prepaid sales tax	13,039	30,996
Prepaid inspection fee	3,305	2,258
Other prepaid expenses	13,040	11,391
	<u>\$ 60,537</u>	<u>\$ 69,638</u>

(7) Investments accounted for using the equity method

	2025	2024
At January 1	(\$ 2,374)	\$ 16,432
Share of loss of investments accounted for using the equity method	-	(954)
Gains from reversal of impairment loss	4,279	-
Reclassification	(4,279)	-
Impairment loss	-	(16,020)
Realized (unrealized) profit from sales	2,374	(2,374)
Effect of exchange rate changes	-	542
	-	(2,374)
Add: Reclassification to Other non-current liabilities	-	2,374
At December 31	<u>\$ -</u>	<u>\$ -</u>

- A. To expand the semiconductor business in mainland China, the consolidated subsidiary, WIN WIN Precision Technology Nanjing Co., Ltd., invested in Hefei Chenling Technology Co., Ltd. with the local entities in March 2023 and injected RMB 4,000 thousand (approximately \$17,555) in April 2023 to acquire 40% of its shares. Its principal place of business is in Mainland China and its net profit (loss) for years 2025 and 2024 were \$11,598 and (\$2,386), respectively.
- B. As the Group lost its control over Hefei Chenling Technology Co., Ltd. in December 2025, the Group reclassified the investment into “Financial assets at fair value through other comprehensive income” measured at fair value, and the Group recognized a gain on reversal of impairment amounting to \$4,279 due to the values recovered.
- C. Due to a significant decline in net cash flow from investee for the year ended December 31, 2024, the Group assessed that there was a decline in the recoverable value and recognised impairment loss in the amount of \$16,020.

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(8) Property, plant and equipment

	2025					
	<u>Machinery and equipment</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Leasehold improvements</u>	<u>Other equipment</u>	<u>Total</u>
January 1						
Cost	\$ 127,623	\$ 580	\$ 17,589	\$ 36,336	\$ 16,870	\$ 198,998
Accumulated depreciation	(95,008)	(580)	(13,895)	(31,738)	(12,745)	(153,966)
	<u>\$ 32,615</u>	<u>\$ -</u>	<u>\$ 3,694</u>	<u>\$ 4,598</u>	<u>\$ 4,125</u>	<u>\$ 45,032</u>
At January 1	\$ 32,615	\$ -	\$ 3,694	\$ 4,598	\$ 4,125	\$ 45,032
Additions	25,596	994	4,268	4,270	2,916	38,044
Reclassifications (Cost)	1,872	-	-	-	-	1,872
Disposals (Cost)	(37)	(584)	(3,722)	(1,520)	(151)	(6,014)
Disposals (Accumulated depreciation)	37	584	3,722	1,520	151	6,014
Depreciation charge	(13,946)	(75)	(2,385)	(2,506)	(1,767)	(20,679)
Net exchange differences	-	71	(1)	-	107	177
At December 31	<u>\$ 46,137</u>	<u>\$ 990</u>	<u>\$ 5,576</u>	<u>\$ 6,362</u>	<u>\$ 5,381</u>	<u>\$ 64,446</u>
December 31						
Cost	\$ 155,054	\$ 1,068	\$ 18,133	\$ 39,086	\$ 20,396	\$ 233,737
Accumulated depreciation	(108,917)	(78)	(12,557)	(32,724)	(15,015)	(169,291)
	<u>\$ 46,137</u>	<u>\$ 990</u>	<u>\$ 5,576</u>	<u>\$ 6,362</u>	<u>\$ 5,381</u>	<u>\$ 64,446</u>

	2024					
	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Total
January 1						
Cost	\$ 248,924	\$ 810	\$ 17,208	\$ 66,221	\$ 18,500	\$ 351,663
Accumulated depreciation and impairment	(179,508)	(810)	(13,136)	(63,676)	(13,609)	(270,739)
	<u>\$ 69,416</u>	<u>\$ -</u>	<u>\$ 4,072</u>	<u>\$ 2,545</u>	<u>\$ 4,891</u>	<u>\$ 80,924</u>
At January 1	\$ 69,416	\$ -	\$ 4,072	\$ 2,545	\$ 4,891	\$ 80,924
Additions	3,124	-	1,315	4,311	1,053	9,803
Reclassifications (Cost)	947	-	-	-	-	947
Disposals (Cost)	(125,372)	(232)	(937)	(34,196)	(2,716)	(163,453)
Disposals(Accumulated depreciation and impairment)	124,024	232	937	34,196	2,465	161,854
Depreciation charge	(18,059)	-	(1,694)	(2,258)	(1,574)	(23,585)
Impairment loss	(21,465)	-	-	-	-	(21,465)
Net exchange differences	-	-	1	-	6	7
At December 31	<u>\$ 32,615</u>	<u>\$ -</u>	<u>\$ 3,694</u>	<u>\$ 4,598</u>	<u>\$ 4,125</u>	<u>\$ 45,032</u>
December 31						
Cost	\$ 127,623	\$ 580	\$ 17,589	\$ 36,336	\$ 16,870	\$ 198,998
Accumulated depreciation	(95,008)	(580)	(13,895)	(31,738)	(12,745)	(153,966)
	<u>\$ 32,615</u>	<u>\$ -</u>	<u>\$ 3,694</u>	<u>\$ 4,598</u>	<u>\$ 4,125</u>	<u>\$ 45,032</u>

A. For the impairment of property, plant and equipment, please refer to Note 6(11).

B. The Group has no property, plant and equipment pledged to others.

(9) Lease arrangements— lessee

A. The Group leases various assets including buildings, business vehicles and computer equipment. Rental contracts are typically made for periods of 2 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes. Additionally, under the lease agreement, the Group has obligations for the restoration of the assets upon termination of the lease. Information relating to decommissioning liabilities is provided in Note 6(16).

B. Short-term leases with a lease term of 12 months or less comprise certain buildings.

C. The movements of right-of-use assets of the Group are as follows:

	2025			
	<u>Buildings and structures</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Total</u>
At January 1	\$ 25,780	\$ 15,296	\$ 751	\$ 41,827
Additions	16,026	31,096	-	47,122
Depreciation charge	(21,205)	(6,520)	(751)	(28,476)
At December 31	<u>\$ 20,601</u>	<u>\$ 39,872</u>	<u>\$ -</u>	<u>\$ 60,473</u>

	2024			
	<u>Buildings and structures</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Total</u>
At January 1	\$ 50,955	\$ 6,713	\$ 1,752	\$ 59,420
Additions	10,639	13,904	-	24,543
Depreciation charge	(34,918)	(5,321)	(1,001)	(41,240)
Lease modification	(896)	-	-	(896)
At December 31	<u>\$ 25,780</u>	<u>\$ 15,296</u>	<u>\$ 751</u>	<u>\$ 41,827</u>

D. Information on profit or loss in relation to lease contracts is as follows:

	Year ended December 31	
	<u>2025</u>	<u>2024</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 1,366	\$ 992
Expense on short-term lease contracts	31,444	44,175
Loss on lease modification	-	62

E. For the years ended December 31, 2025 and 2024, the Group's total cash outflow for leases were \$59,160 and \$79,075, respectively.

(10) Intangible assets

	2025			
	Computer Software	Trademarks	Patents	Total
January 1				
Cost	\$ 15,263	\$ 2,330	\$ 1,124	\$ 18,717
Accumulated amortization	(8,838)	(1,380)	(477)	(10,695)
	<u>\$ 6,425</u>	<u>\$ 950</u>	<u>\$ 647</u>	<u>\$ 8,022</u>
At January 1	\$ 6,425	\$ 950	\$ 647	\$ 8,022
Additional-acquired separately	4,294	-	138	4,432
Disposals (Cost)	(5,954)	-	-	(5,954)
Disposals (Accumulated amortization)	5,954	-	-	5,954
Amortization charge	(2,122)	(157)	(88)	(2,367)
At December 31	<u>\$ 8,597</u>	<u>\$ 793</u>	<u>\$ 697</u>	<u>\$ 10,087</u>
December 31				
Cost	\$ 13,699	\$ 2,330	\$ 1,262	\$ 17,291
Accumulated amortization	(5,102)	(1,537)	(565)	(7,204)
	<u>\$ 8,597</u>	<u>\$ 793</u>	<u>\$ 697</u>	<u>\$ 10,087</u>
	2024			
	Computer Software	Trademarks	Patents	Total
January 1				
Cost	\$ 12,074	\$ 2,620	\$ 1,134	\$ 15,828
Accumulated amortization	(7,027)	(1,513)	(740)	(9,280)
	<u>\$ 5,047</u>	<u>\$ 1,107</u>	<u>\$ 394</u>	<u>\$ 6,548</u>
At January 1	\$ 5,047	\$ 1,107	\$ 394	\$ 6,548
Additional-acquired separately	3,854	-	319	4,173
Disposals (Cost)	(671)	(290)	(329)	(1,290)
Disposals (Accumulated amortization)	671	290	329	1,290
Amortization charge	(2,476)	(157)	(66)	(2,699)
At December 31	<u>\$ 6,425</u>	<u>\$ 950</u>	<u>\$ 647</u>	<u>\$ 8,022</u>
December 31				
Cost	\$ 15,263	\$ 2,330	\$ 1,124	\$ 18,717
Accumulated amortization	(8,838)	(1,380)	(477)	(10,695)
	<u>\$ 6,425</u>	<u>\$ 950</u>	<u>\$ 647</u>	<u>\$ 8,022</u>

A. Details of amortization on intangible assets are as follows:

	Year ended December 31	
	2025	2024
Operating costs	\$ 54	\$ 888
Selling expenses	157	157
Administrative expenses	1,851	1,363
Research and development expenses	305	291
	<u>\$ 2,367</u>	<u>\$ 2,699</u>

B. The Group has no intangible assets pledged to others.

(11) Impairment of non-financial assets (For the year ended December 31, 2025: Nil)

A. The Group recognised impairment loss for the year ended December 31, 2024. Details are as follows:

	Year ended December 31, 2024
Impairment loss-machinery and equipment	\$ 21,465

B. In response to the rapid technological innovations and fluctuation in market price of the solar module, the Group adjusted its production strategies in solar energy. For certain equipment which did not meet the operating plan, the Group would assess the recoverable amounts. Additionally, the Group recognised the differences between the recoverable amounts and the book value in impairment loss for the year ended December 31, 2024 in the amount of \$21,465.

(12) Short-term borrowings

Type of borrowings	December 31, 2025	December 31, 2024
Bank borrowings		
Unsecured borrowings	\$ 45,501	\$ 38,942
Interest rate range	2.76%~2.97%	3.65%~4.29%

(13) Other payables

	December 31, 2025	December 31, 2024
Salary and year-end bonus payable	\$ 136,909	\$ 106,342
Customs and miscellaneous payable	12,738	15,564
Equipment payable	9,987	2,378
Labor and National Health insurance payable	9,491	7,612
Service payable	7,290	5,978
Pension expense payable	4,441	3,544
Rents payable	3,074	4,061
Utilities payable	2,505	1,552
Insurance payable	1,918	1,441
Freight payable	1,036	1,968
Others	33,546	19,184
	<u>\$ 222,935</u>	<u>\$ 169,624</u>

(14) Pensions

A. The Company has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

- B. Win Win Precision Technology Nanjing Co, Ltd. has a defined contribution plan according to the pension insurance system stipulated by the government of the People's Republic of China for the years ended December 31, 2025 and 2024 with a fixed rate of 16% of the total salary of local employees every month, and the pension of each employee is managed and arranged by the local government. Other than monthly contributions, the Group has no further obligation.
- C. Accounting for pension plans of foreign subsidiaries, WINAICO Deutschland GmbH, WINAICO Delaware Co., Ltd., and WINAICO Australia PTY LTD., comply with the local pension contribution laws and regulations. Other consolidated entities do not have any employees. Therefore, they do not have employee pension plans.
- D. The pension costs under the defined contribution pension plans of the Group for the years ended December 31, 2025 and 2024 were \$18,443 and \$16,723, respectively.

(15) Share-based payment

- A. The Company's employees can receive share-based payment as part of the reward plan; Employees receive equity instruments as considerations for services rendered, and these transactions are equity-settled, share-based payment transactions.
- B. For the years ended December 31, 2025 and 2024, the Company's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Grant quantity (in thousand)	Contract period	Vesting condition
Employee option plan	2022.08.11	2,250	5 years	(Note)
Cash capital increase reserved for employee preemption	2024.04.25	580	-	Vested immediately

(Note) The Company issues new shares when employees exercise options. The vesting period of option and exercisable ratio are as follows:

Vesting period of option	Accumulated ratio of exercisable stock option
After 2 years	50%
After 3 years	80%
After 4 years	100%

- C. Details of the share-based payment arrangements of 2022 are as follows:

	Year ended December 31, 2025	
	No. of options (in thousand)	Weighted-average exercise price (in dollars)
Options outstanding at January 1	1,455	\$ 17.9
Options exercised	(679)	17.2
Options forfeited	(46)	
Options expired	(33)	
Options outstanding at December 31	697	17.2
Options exercisable at December 31	323	

	Year ended December 31, 2024	
	No. of options (in thousand)	Weighted-average exercise price (in dollars)
Options outstanding at January 1	2,160	\$ 19.5
Options exercised	(519)	17.9
Options forfeited	(107)	
Options expired	(79)	
Options outstanding at December 31	1,455	17.9
Options exercisable at December 31	472	

As of December 31, 2025 and 2024, the exercise prices of stock options outstanding were \$17.2 (in dollars) and \$17.9 (in dollars); the remaining contractual periods were 1.6 years and 2.6 years, respectively.

D. The fair value of stock options granted on grant date is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Stock price (in dollars)	Exercise price (in dollars) (Note 1)	Expected price volatility (Note 2)	Expected option life (Note 3)	Expected dividends (Note 4)	Risk-free interest rate (Note 5)	Fair value per unit (in dollars)
Employee stock options (Grant date:2022.8.11)							
Manager							
After 2 years	\$ 30	\$ 22.6	50.40%	4.36 years	0.63%	1.01%	\$ 14.82
After 3 years	30	22.6	49.16%	4.63 years	0.63%	1.02%	14.74
After 4 years	30	22.6	49.06%	4.84 years	0.63%	1.03%	14.74
General employee							
After 2 years	\$ 30	\$ 22.6	51.45%	4.02 years	0.63%	1.00%	\$ 14.59
After 3 years	30	22.6	50.04%	4.43 years	0.63%	1.02%	14.71
After 4 years	30	22.6	49.10%	4.76 years	0.63%	1.03%	14.71
Type of arrangement	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility (Note 2)	Expected option life	Expected dividends	Risk-free interest rate (Note 6)	Fair value per unit (in dollars)
Cash capital increase reserved for employee preemption (Grant date:2024.4.25)							
	\$ 30.1	\$ 24.0	33.75%	0.02 years	-	1.22%	\$ 6.12

Note 1: If there is any change to the Company's ordinary shares such as cash capital increase, stock dividend issuance, consolidation or issuance of new shares in exchange for shares of other companies, the exercise price will be adjusted in accordance with the terms of issuance of employee stock options.

Note 2: It is based on the stock price volatility during the historical expected duration of comparable companies.

Note 3: It is calculated by using the literature published by Hull White (2002).

Note 4: It is based on the average historical yield rate of comparable companies.

Note 5: It is based on the risk-free interest rate of central government bonds during the expected duration.

Note 6: It is based on the fixed rate for a one-month to three-month time deposit offered by the Directorate General of the Postal Remittances and Savings Bank.

E. Expenses incurred on equity-settled share-based payment transactions are shown below:

	Year ended December 31	
	2025	2024
Compensation costs of employee stock options	\$ 2,857	\$ 8,650
Compensation costs of capital increase	-	3,547
	<u>\$ 2,857</u>	<u>\$ 12,197</u>

(16) Provisions for liabilities

	2025		
	Warranty	Decommissioning	
		liabilities	Total
At January 1	\$ 10,353	\$ 14,810	\$ 25,163
Additional provisions	15,906	189	16,095
Utilisation/reversal during the period	(4,722)	-	(4,722)
At December 31	<u>\$ 21,537</u>	<u>\$ 14,999</u>	<u>\$ 36,536</u>
	2024		
	Warranty	Decommissioning	
		liabilities	Total
At January 1	\$ 11,994	\$ 18,123	\$ 30,117
Additional provisions	8,936	434	9,370
Utilisation/reversal during the period	(10,577)	(3,747)	(14,324)
At December 31	<u>\$ 10,353</u>	<u>\$ 14,810</u>	<u>\$ 25,163</u>

Analysis of total provisions:

	December 31, 2025	December 31, 2024
Current	<u>\$ 21,537</u>	<u>\$ 10,353</u>
Non-current	<u>\$ 14,999</u>	<u>\$ 14,810</u>

A. Warranty

The Group's provision for warranty which was related to the sale of solar photovoltaic modules and the design of solar energy system was based on historical warranty data and management's judgements. The Group estimated the provision for warranty will be used within the next year.

B. Decommissioning liabilities

According to the Group's lease contract for the plant, the Group bears dismantling, removing the asset and restoring the site obligations. A provision is recognised for the present value of costs to be incurred for dismantling, removing the asset and restoring the site. The Group estimated the liabilities provision will be paid when moving the plant.

(17) Share capital

A. As of December 31, 2025 and 2024, the Company's authorized capital was \$1,200,000, consisting of 120,000 thousand shares of ordinary stock (including 2,250 thousand shares reserved for employee stock options), and the paid-in capital were \$674,326 and \$668,665, respectively, with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	<u>2025 (in thousands)</u>	<u>2024 (in thousands)</u>
At January 1	66,867	60,705
Cash capital increase	-	5,800
Exercise of employee stock options	566	362
At December 31	<u>67,433</u>	<u>66,867</u>

B. For the underwriting of the new listed shares, the Board of Directors of the Company during their meeting on March 12, 2024 adopted a resolution to increase the Company's capital by issuing 5,800 thousand ordinary shares with a par value of \$10 (in dollars) per share. The effective date of the abovementioned shares was set on May 7, 2024 and the registration had been completed.

C. For the year ended December 31, 2024, the Company's employee share options was exercised by 519 thousand shares, of which 157 thousand shares were resolved by the Board of Directors on February 26, 2025. The effective date of the abovementioned shares was set on March 5, 2025 and the registration had been completed.

D. For the year ended December 31, 2025, the Company's employee share options was exercised by 679 thousand shares, of which 270 thousand shares were resolved by the Board of Directors on March 10, 2026. The effect date of abovementioned shares was set as March 27, 2026.

(18) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

2025					
	Additional paid-in capital in excess of par, ordinary share	Employee stock options	Expired stock options	Others	Total
At January 1	\$ 540,700	\$ 16,949	\$ 3,435	\$ -	\$ 561,084
Share-based compensation costs	-	2,857	-	-	2,857
Exercise of employee stock options	14,901	(9,992)	-	-	4,909
Expired employee stock options	-	(489)	489	-	-
Expired unclaimed dividends	-	-	-	2	2
Exercise of disgorgement	-	-	-	2	2
At December 31	<u>\$ 555,601</u>	<u>\$ 9,325</u>	<u>\$ 3,924</u>	<u>\$ 4</u>	<u>\$ 568,854</u>
2024					
	Additional paid-in capital in excess of par, ordinary share	Employee stock options	Expired stock options	Others	Total
At January 1	\$ 427,133	\$ 17,104	\$ -	\$ -	\$ 444,237
Cash capital increase	101,830	(1,280)	-	-	100,550
Share-based compensation costs	-	12,197	-	-	12,197
Exercise of employee stock options	11,737	(7,637)	-	-	4,100
Expired employee stock options	-	(3,435)	3,435	-	-
At December 31	<u>\$ 540,700</u>	<u>\$ 16,949</u>	<u>\$ 3,435</u>	<u>\$ -</u>	<u>\$ 561,084</u>

(19) Retained earnings

A. Under the Company's Articles of Incorporation adopted by the shareholders during their meeting, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the amount of legal reserve is equal to the amount of total capital. After the provision or reversal of special reserve in accordance with the relevant laws and regulations, the appropriation of the remaining earnings along with the unappropriated earnings of prior years after retaining an appropriate amount based on the operational needs shall be proposed by the Board of Directors. The proposal of appropriation should be approved by the shareholders if dividends would be distributed by issuing new shares. The Company authorizes the Board of Directors attended by two-third or more of the directors, and a resolution by the majority of the directors in attendance, to distribute all or part of the shareholders' dividends and bonus, capital surplus, or legal reserve in cash, and reported to the shareholders. Every year, the distributable retained earnings should be distributed not lower than 30% as shareholders' dividend. However, when the distributable earnings is lower than 3% of paid-in capital, it may be resolved to transfer it to retained earnings and not to be distributed. When distributing retained earnings, cash dividends should not be lower than 20% of total dividend, but shareholders may adjust it according to the actual profit and future capital plan.

- B. The Company's dividend policy adopts a prudent and balanced principle, based on capital requirements, industry growth characteristics, interests of the shareholders, the balance of dividends and long-term financial planning. The dividend policy proposed by the Board of Directors is submitted to the shareholders for approval.
- C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
- D. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- E. (a) The appropriations of earnings of 2024 and 2023 resolved by shareholders on May 28, 2025 and May 30, 2024, respectively, are as follows:

	Year 2024		Year 2023	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve appropriated	\$ -		\$ 19,430	
Reversal of special reserve	(2,474)		(1,876)	
Cash dividends	73,726	\$ 1.10	145,692	\$ 2.40

- (b) Details of 2025 earnings appropriation by the Board of Directors on March 10, 2026 is as follows:

	Amount	Dividends per share (in dollars)
Legal reserve appropriated	\$ 12,833	
Reversal of special reserve	(34,159)	
Cash dividends	94,811	\$ 1.40

- (c) For the information relating to the distribution of earnings as approved by the Board of Directors and resolved by the shareholders' meeting, please refer to the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(20) Operating revenue

	Year ended December 31	
	2025	2024
Sales of goods contract	\$ 2,156,206	\$ 2,239,010
Service contract	206,642	155,554
Construction contract	34,334	14,248
	<u>\$ 2,397,182</u>	<u>\$ 2,408,812</u>

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of construction control and render service over time, and transfer of products and services at a point in time in the following major product lines and geographical regions:

	Taiwan		Europe	Others		Total
	Solar energy	Semiconductor	Solar energy	Solar energy	Semiconductor	
<u>Year ended December 31, 2025</u>						
Sales of goods contract	\$ 190,803	\$ 488,640	\$ 721,738	\$ 153,799	\$ 601,226	\$ 2,156,206
Service contract	-	206,475	167	-	-	206,642
Construction contract	34,334	-	-	-	-	34,334
	<u>\$ 225,137</u>	<u>\$ 695,115</u>	<u>\$ 721,905</u>	<u>\$ 153,799</u>	<u>\$ 601,226</u>	<u>\$ 2,397,182</u>
Revenue recognition:						
At a point in time	\$ 190,803	\$ 695,115	\$ 721,905	\$ 153,799	\$ 601,226	\$ 2,362,848
Over time	34,334	-	-	-	-	34,334
	<u>\$ 225,137</u>	<u>\$ 695,115</u>	<u>\$ 721,905</u>	<u>\$ 153,799</u>	<u>\$ 601,226</u>	<u>\$ 2,397,182</u>
<u>Year ended December 31, 2024</u>						
Sales of goods contract	\$ 197,310	\$ 343,412	\$ 976,167	\$ 177,720	\$ 544,401	\$ 2,239,010
Service contract	202	153,746	1,606	-	-	155,554
Construction contract	14,248	-	-	-	-	14,248
	<u>\$ 211,760</u>	<u>\$ 497,158</u>	<u>\$ 977,773</u>	<u>\$ 177,720</u>	<u>\$ 544,401</u>	<u>\$ 2,408,812</u>
Revenue recognition:						
At a point in time	\$ 197,512	\$ 497,158	\$ 977,773	\$ 177,720	\$ 544,401	\$ 2,394,564
Over time	14,248	-	-	-	-	14,248
	<u>\$ 211,760</u>	<u>\$ 497,158</u>	<u>\$ 977,773</u>	<u>\$ 177,720</u>	<u>\$ 544,401</u>	<u>\$ 2,408,812</u>

B. Contract assets and liabilities

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

	December 31, 2025	December 31, 2024	January 1, 2024
Contract assets:			
Construction contract	<u>\$ 21,758</u>	<u>\$ -</u>	
Contract liabilities:			
Sales of goods contract	\$ 19,898	\$ 9,220	\$ 18,370
Construction contract	14,548	1,181	4,005
	<u>\$ 34,446</u>	<u>\$ 10,401</u>	<u>\$ 22,375</u>

(a) Significant changes in contract assets and liabilities

The Group's liabilities from solar module sales contract changed due to the impact from the business cycle of the domestic solar photovoltaic modules market. The changes of contract assets and contract liabilities of solar system design and construction mainly were the difference between the completion of construction performance obligation and the timing of customers' payment.

(b) Revenue recognised that was included in the contract liability balance at the beginning of the period:

	Year ended December 31	
	2025	2024
Sales of goods contract	\$ 5,718	\$ 15,040
Construction contract	1,181	2,871
	<u>\$ 6,899</u>	<u>\$ 17,911</u>

(c) The transaction price of unperformed performance obligation

As of December 31, 2025, the total price of the Group's unperformed performance obligation was \$63,976, will continuously be recognised as revenue following the completion of design and construction of solar system, the construction was expected to be completed in 2026.

(21) Interest income

	Year ended December 31	
	2025	2024
Interest income from bank	\$ 8,837	\$ 7,165
Other interest income	119	131
	<u>\$ 8,956</u>	<u>\$ 7,296</u>

(22) Other income

	Year ended December 31	
	2025	2024
Reclassification of overdue advance receipts as income	\$ 10,477	\$ -
Government grant income	5,671	3,821
Others	3,803	4,423
	<u>\$ 19,951</u>	<u>\$ 8,244</u>

(23) Other gains and losses

	Year ended December 31	
	2025	2024
Loss on disposal of equity-method investments (Note)	(\$ 37,939)	\$ -
Net exchange (losses) gains	(19,564)	11,441
Gains on reversal of (impairment loss)-investments accounted for using the equity method	4,279	(16,020)
Net losses on financial assets and liabilities at fair value through profit or loss	(4,231)	(2,370)
Gains on disposals of property, plant and equipment	2	1,090
Gains from reversal of decommissioning liabilities	-	2,432
Impairment loss - property, plant and equipment	-	(21,465)
Loss on lease modification	-	(62)
Others	(138)	(135)
	<u>(\$ 57,591)</u>	<u>(\$ 25,089)</u>

(Note) To simplify the investment structure, the consolidated subsidiary, WINAICO B.V., cancelled its registration on October 9, 2025. The Company collected the remaining investment of \$19,713 and recognised loss on disposal of investment of \$37,939.

(24) Finance costs

	Year ended December 31	
	2025	2024
Interest expense		
Bank loan	\$ 1,660	\$ 4,063
Lease liabilities	1,366	992
Decommissioning liabilities	189	434
	<u>\$ 3,215</u>	<u>\$ 5,489</u>

(25) Additional information of expenses by nature

	Year ended December 31	
	2025	2024
Employee benefit expense	\$ 504,750	\$ 458,565
Transportation and charges for exports	134,023	158,927
Operating lease expense	31,444	44,175
Charges for services	36,206	40,058
Depreciation charges on right-of-use assets	28,476	41,240
Depreciation charges on property, plant and equipment	20,679	23,585
Amortization charges on intangible assets	2,367	2,699
	<u>\$ 757,945</u>	<u>\$ 769,249</u>

(26) Employee benefit expense

	Year ended December 31	
	2025	2024
Wages and salaries	\$ 422,666	\$ 376,053
Labor and health insurance fees	39,083	34,999
Pension costs	18,443	16,723
Share-based compensation cost	2,857	12,197
Directors' remuneration	1,956	1,000
Other employee benefit expense	19,745	17,593
	<u>\$ 504,750</u>	<u>\$ 458,565</u>

A. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 3% to 10% for employees' compensation with no lower than 20% of the amount distributed as rank-and-file employees' compensation and shall not be higher than 2% for directors' remuneration.

B. For the years ended December 31, 2025 and 2024, employees' compensation was accrued at \$4,572 and \$0, respectively; while directors' remuneration was accrued at \$755 and \$0, respectively. The aforementioned amounts were recognised in salary expenses. The employees' compensation and directors' remuneration were estimated and accrued based on 3% and 0.5% of distributable profit of current year for the year ended December 31, 2025, respectively.

For the year ended December 31, 2024, the Company did not accrue employees' remuneration and directors' remuneration due to operating losses, which were in alignment with the 2024 financial statements.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(27) Income tax

A. Components of income tax expense (benefit):

	Year ended December 31	
	2025	2024
Current tax:		
Current tax on profit for the year	\$ 39,358	\$ 6,198
(Overestimation) underestimation of income tax in prior years	(1,592)	1,925
Tax on undistributed earnings	-	1,561
Total current tax	<u>37,766</u>	<u>9,684</u>
Deferred tax:		
Origination and reversal of temporary differences	3,805	(29,917)
Income tax expense (benefit)	<u>\$ 41,571</u>	<u>(\$ 20,233)</u>

B. Reconciliation between income tax expense and accounting profit

	<u>Years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Tax calculated based on profit (loss) before tax and statutory tax rate	\$ 26,293	(\$ 36,602)
Items adjusted by tax regulation	2,769	1,721
(Overestimation) underestimation of income tax in prior years	(1,592)	1,925
Temporary differences not recognised as deferred tax assets	11,101	9,360
Taxable loss not recognized as deferred tax assets	4,753	1,069
Change in assessment of realisation of deferred tax assets	(1,503)	733
Tax on undistributed earnings	-	1,561
Others	(250)	-
Income tax expense (benefit)	<u>\$ 41,571</u>	<u>(\$ 20,233)</u>

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses are as follows:

	<u>2025</u>			
	<u>January 1</u>	<u>Recognized in Translation</u>		<u>December 31</u>
		<u>profit or loss</u>	<u>differences</u>	
<u>Deferred tax assets</u>				
Temporary differences				
Loss from investments accounted for using equity-method	\$ -	\$ 23,705	\$ -	\$ 23,705
Unrealized inventory loss	29,078	(7,934)	-	21,144
Tax difference from sales profit	10,954	360	-	11,314
Unrealized warranty expenses	2,071	2,236	-	4,307
Decommissioning liability provisions	2,962	38	-	3,000
Allowance for credit losses	399	893	-	1,292
Unrealized loss on financial instruments	-	531	-	531
Unrealized foreign exchange losses	681	(681)	-	-
Others	758	165	-	923
Tax losses	<u>30,246</u>	<u>(22,202)</u>	<u>2,346</u>	<u>10,390</u>
Subtotal	<u>77,149</u>	<u>(2,889)</u>	<u>2,346</u>	<u>76,606</u>
<u>Deferred tax liabilities</u>				
Tax difference in right-of-use assets	(658)	376	-	(282)
Unrealized gains on financial instruments	(290)	290	-	-
Unrealized foreign exchange gain	<u>-</u>	<u>(1,582)</u>	<u>-</u>	<u>(1,582)</u>
Subtotal	<u>(948)</u>	<u>(916)</u>	<u>-</u>	<u>(1,864)</u>
Total	<u>\$ 76,201</u>	<u>(\$ 3,805)</u>	<u>\$ 2,346</u>	<u>\$ 74,742</u>

2024

	January 1	Recognized in profit or loss	Reclassification	Translation differences	December 31
<u>Deferred tax assets</u>					
Temporary differences					
Unrealized inventory loss	\$ 21,122	\$ 7,956	\$ -	\$ -	\$ 29,078
Tax difference from sales profit	9,929	1,025	-	-	10,954
Decommissioning liability provisions	1,432	(604)	2,134	-	2,962
Unrealized warranty expenses	2,399	(328)	-	-	2,071
Unrealized foreign exchange losses	-	681	-	-	681
Tax difference in doubtful accounts	318	81	-	-	399
Impairment loss recognised in equipment	821	(821)	-	-	-
Others	1,164	(406)	-	-	758
Tax losses	<u>9,568</u>	<u>21,016</u>	<u>-</u>	<u>(338)</u>	<u>30,246</u>
Subtotal	<u>46,753</u>	<u>28,600</u>	<u>2,134</u>	<u>(338)</u>	<u>77,149</u>
<u>Deferred tax liabilities</u>					
Tax difference in right-of-use assets	-	1,476	(2,134)	-	(658)
Unrealized gains on financial instruments	-	(290)	-	-	(290)
Unrealized foreign exchange gain	(131)	131	-	-	-
Subtotal	<u>(131)</u>	<u>1,317</u>	<u>(2,134)</u>	<u>-</u>	<u>(948)</u>
Total	<u>\$ 46,622</u>	<u>\$ 29,917</u>	<u>\$ -</u>	<u>(\$ 338)</u>	<u>\$ 76,201</u>

D. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets of consolidated subsidiaries are as follows:

December 31, 2025					
Year incurred	Amount assessed	Unused amount	Unrecognised deferred tax assets	Expiry year	
2013	\$ 65,944	\$ 6,040	\$ -	Unlimited	
2014	13,009	13,009	-	"	
2016	9,520	9,520	-	"	
2023	20,659	20,659	20,659	(NOTE)	
2024	71,901	71,901	71,901	"	
2025	19,893	19,893	19,893	"	

December 31, 2024					
Year incurred	Amount assessed	Unused amount	Unrecognised deferred tax assets	Expiry year	
2013	\$ 65,944	\$ 6,040	\$ -	Unlimited	
2014	13,009	13,009	-	"	
2016	9,520	9,520	-	"	
2023	20,659	20,659	20,659	(NOTE)	
2024	71,901	71,901	3,711	"	

Note: Except for the 10-year limit for Japanese subsidiaries, under the regulations of the country where the overseas subsidiaries are located, tax losses can be applied to taxable profit in the succeeding years with no limitation on times.

E. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax assets and liabilities. The relevant amounts are listed as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Unrecognised deferred tax assets	\$ 540,800	\$ 656,822
Unrecognised deferred tax liabilities	\$ 13,417	\$ 5,875

F. The Company's income tax returns through 2023 have been assessed and approved by the Tax Authority.

(28) Earnings (losses) per share

	<u>Year ended December 31, 2025</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (share in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to owners of the parent	\$ 128,326	67,074	\$ 1.91
<u>Diluted earnings per share</u>			
Dilutive effect of potential ordinary shares			
Employees stock option		632	
Employees stock compensation		122	
Profit attributable to owners of the parent plus dilutive effect of potential ordinary shares	\$ 128,326	67,828	\$ 1.89
	<u>Year ended December 31, 2024</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (share in thousands)</u>	<u>Loss per share (in dollars)</u>
<u>Basic loss per share</u>			
Loss attributable to owners of the parent	(\$ 90,250)	64,602	(\$ 1.40)
<u>Dificit loss per share (Note)</u>			
Loss attributable to owners of the parent plus dilutive effect of potential ordinary shares	(\$ 90,250)	64,602	(\$ 1.40)

Note: The Company's potential ordinary shares included in the 2023 employees' compensation and the 2022 employee stock options had anti-dilutive effect, so they are not listed on the diluted losses per share for the year ended December 31, 2024.

(29) Supplemental cash flow information

Investing activities with partial cash payments:

	Year ended December 31	
	2025	2024
Purchase of property, plant and equipment (Note)	\$ 39,916	\$ 10,750
Add: Opening balance of payable on equipment	2,378	740
Ending balance of prepayment for equipment	7,641	1,872
Less: Ending balance of payable on equipment	(9,987)	(2,378)
Opening balance of prepayment for equipment	(1,872)	(1,073)
Cash paid during the period	<u>\$ 38,076</u>	<u>\$ 9,911</u>

Note: Including reclassifications of property, plant and equipment.

(30) Changes in liabilities from financing activities

	2025		
	Short-term borrowings	Lease liabilities	Liabilities from financing activities - gross
At January 1	\$ 38,942	\$ 39,074	\$ 78,016
Changes in cash flow from financing activities	6,559	(26,350)	(19,791)
Interest expense paid (Note)	-	(1,366)	(1,366)
Changes in other non-cash items	-	48,488	48,488
At December 31	<u>\$ 45,501</u>	<u>\$ 59,846</u>	<u>\$ 105,347</u>
	2024		
	Short-term borrowings	Lease liabilities	Liabilities from financing activities - gross
At January 1	\$ 175,112	\$ 49,273	\$ 224,385
Changes in cash flow from financing activities	(136,170)	(33,908)	(170,078)
Interest expense paid (Note)	-	(992)	(992)
Changes in other non-cash items	-	24,701	24,701
At December 31	<u>\$ 38,942</u>	<u>\$ 39,074</u>	<u>\$ 78,016</u>

Note: Shown as cash flows from operating activities.

7. RELATED PARTY TRANSACTION

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Hefei Chenling Technology Co., Ltd. (Hefei Chenling)	The Group's associate(Note)
Directors, general managers and vice general manager	The Group's key management

Note: In the middle of December 2025, as the Company's subsidiary lost its control over Hefei Chenling Technology Co., Ltd., the Company reclassified the investment into "Financial assets at fair value through other comprehensive income" measured at fair value as of December 31. Disclosures of related party transactions still pertain to 2025.

(2) Significant related party transactions

A. Sales revenue

	<u>Year ended December 31</u>	
	<u>2025</u>	<u>2024</u>
The Group's associate	<u>\$ 64,283</u>	<u>\$ 11,854</u>

The Group's sales price to related parties is based on the agreed selling price, and the payment condition is that the payment will be received within 60~150 days after sale. There is no material difference between the transaction price and the payment terms of the sale of goods and those of non-related parties. The transaction price and payment terms for the sale of raw materials have no comparable transactions of the same type within the Group for reference.

B. Receivable from related parties (As of December 31, 2025 : Nil)

	<u>December 31, 2024</u>
Hefei Chenling	
Accounts rceivable	\$ 6,175
Less: Allowance for loss	(16)
	<u>\$ 6,159</u>
Other receivables	<u>\$ 82</u>

The ageing analysis of the aforementioned accounts receivable according to the past due date was as follows:

	<u>December 31, 2024</u>
Without past due	<u>\$ 6,175</u>

(3) Key management compensation

	Year ended December 31	
	2025	2024
Salaries and other short-term employee benefits	\$ 85,886	\$ 77,291
Share-based payments	1,550	3,916
Post-employment benefits	1,327	1,387
	<u>\$ 88,763</u>	<u>\$ 82,594</u>

8. PLEDGED ASSETS

The Group's assets pledged at carrying amount are as follows:

<u>Pledged asset</u>	<u>Purpose</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Guarantee deposits paid (shown as other non-current assets)	Custom deposits and guarantees for lease	<u>\$ 23,539</u>	<u>\$ 24,671</u>

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A. The amounts of the performance letters of guarantee for purchase of goods are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Unused letters of guarantee	<u>\$ 52,461</u>	<u>\$ 83,899</u>

B. As of December 31, 2025, the amount of contracted but not yet paid commitments for the purchase of equipment and software was \$21,044.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT SUBSEQUENT EVENTS

Information about the appropriations of 2025 earnings of the Company is provided in Note 6(19).

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Financial instruments by category

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Financial assets</u>		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	\$ -	\$ 1,451
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	\$ 4,316	\$ -
Financial assets at amortized cost		
Cash and cash equivalents	\$ 871,900	\$ 856,943
Notes receivable	19,715	1,867
Accounts receivable (including related parties)	386,496	269,702
Other receivables (including related parties)	949	2,777
Guarantee deposits paid	23,539	24,671
	<u>\$ 1,302,599</u>	<u>\$ 1,155,960</u>
<u>Financial liabilities</u>		
Financial liabilities at fair value through profit or loss		
Financial liabilities held for trading	\$ 2,656	\$ -
Financial liabilities at amortized cost		
Short-term borrowings	\$ 45,501	\$ 38,942
Accounts payable	176,229	128,684
Other payables	222,935	169,624
	<u>\$ 444,665</u>	<u>\$ 337,250</u>
Lease liabilities	<u>\$ 59,846</u>	<u>\$ 39,074</u>

B. Financial risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk. To minimize any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(c) Information about derivative financial instruments that are used to hedge certain exchange rate risk are provided in Note 6(2).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of various functional currency, which are different with the Company and its subsidiaries' primarily with respect to the USD, EUR, AUD, JPY and RMB. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable foreign currency expenditures. Forward foreign exchange contracts are adopted to minimize the volatility of the exchange rate affecting expected export proceeds.
- iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).
- iv. The Group's businesses involve some non-functional currency operations (the Company's functional currency: NTD; other certain subsidiaries' functional currency: EUR, USD, AUD, JPY and RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

(Foreign currency: functional currency)	December 31, 2025		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial Assets</u>			
<u>Monetary items</u>			
EUR:NTD	\$ 4,257	36.90	\$ 157,083
USD:NTD	9,204	31.43	289,282
AUD:NTD	4,906	21.01	103,075
RMB:NTD	2,213	4.50	9,950
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
EUR:NTD	\$ 3,630	36.90	\$ 133,947
USD:NTD	888	31.43	27,910
RMB:NTD	1,861	4.50	8,367

December 31, 2024				
(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	
<u>Financial Assets</u>				
<u>Monetary items</u>				
EUR:NTD	\$ 4,616	34.14	\$	157,590
USD:NTD	9,990	32.79		327,522
AUD:NTD	4,924	20.39		100,400
RMB:NTD	1,462	4.48		6,547
<u>Financial Liabilities</u>				
<u>Monetary items</u>				
EUR:NTD	\$ 3,204	34.14	\$	109,385
USD:NTD	572	32.79		18,753
RMB:NTD	2,756	4.48		12,341
<u>Other non-current liabilities</u>				
RMB:NTD	\$ 530	4.48	\$	2,374

- v. Total exchange gain (loss), including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2025 and 2024 amounted to (\$19,564) and \$11,441, respectively.
- vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Year ended December 31, 2025				
Sensitivity analysis				
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	
<u>Financial Assets</u>				
<u>Monetary items</u>				
EUR:NTD	1%	\$ 1,571	\$	-
USD:NTD	1%	2,893		-
AUD:NTD	1%	1,031		-
RMB:NTD	1%	100		-
<u>Financial Liabilities</u>				
<u>Monetary items</u>				
EUR:NTD	1%	\$ 1,339	\$	-
USD:NTD	1%	279		-
RMB:NTD	1%	84		-

(Foreign currency: functional currency)	Year ended December 31, 2024		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial Assets</u>			
<u>Monetary items</u>			
EUR:NTD	1%	\$ 1,576	\$ -
USD:NTD	1%	3,275	-
AUD:NTD	1%	1,004	-
RMB:NTD	1%	65	-
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
EUR:NTD	1%	\$ 1,094	\$ -
USD:NTD	1%	188	-
RMB:NTD	1%	123	-

(b) Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from short-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. As of December 31, 2025 and 2024, the Group's borrowings at variable rate were mainly denominated in NTD and Euro.
- ii. The Group's borrowings are measured at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.
- iii. If the borrowing interest rate had increased/decreased by 0.25% with all other variables held constant, profit, net of tax for the years ended December 31, 2025 and 2024 would have increased/decreased by \$91 and \$78, respectively. The main factor is that changes in interest expense result in floating-rate borrowings.

(c) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of financial assets at amortised cost.
- ii. The Group manages their credit risk taking into consideration the entire group's concern. Only banks and financial institutions with optimal credit ratings are accepted. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality

of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

- iii. The Group adopts assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition. If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition; the default occurs when the contract payments are past due over 180 days.
- iv. The following indicators are used to determine whether the credit impairment of financial assets has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;
 - (ii) A breach of contract.
- v. The Group classifies customers' accounts receivable in accordance with customer types. The Group applies the simplified approach to estimate expected credit loss under the provision matrix basis.
- vi. The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. As of December 31, 2025 and 2024, the provision matrix is as follows:

	Not past due	Up to 60 days past due	61 to 120 days past due	121 to 180 days past due	Over 181 days past due	Total
<u>At December 31, 2025</u>						
<u>Group 1</u>						
Expected loss rate	0.75%~1.09%	5.72%~50.21%	26.57%~91.31%	-	100%	
Total book value	\$ 50,478	\$ 4,507	\$ 7	\$ -	\$ -	\$ 54,992
Loss allowance	\$ 493	\$ 285	\$ 7	\$ -	\$ -	\$ 785
<u>Group 2</u>						
Expected loss rate	0.41%	6.89%	33.64%	69.95%	100%	
Total book value	\$ 292,157	\$ 39,730	\$ 5,188	\$ 629	\$ 340	\$ 338,044
Loss allowance	\$ 1,199	\$ 2,738	\$ 1,745	\$ 440	\$ 340	\$ 6,462
<u>At December 31, 2024</u>						
<u>Group 1</u>						
Expected loss rate	0.21%~1.87%	3.02%~27.87%	29.77%~64.57%	-	100%	
Total book value	\$ 46,577	\$ 6,641	\$ 322	\$ -	\$ -	\$ 53,540
Loss allowance	\$ 520	\$ 518	\$ 96	\$ -	\$ -	\$ 1,134
<u>Group 2</u>						
Expected loss rate	0.25%	28.11%	45.82%	-	100%	
Total book value	\$ 207,538	\$ 3,494	\$ 1,065	\$ -	\$ -	\$ 212,097
Loss allowance	\$ 510	\$ 982	\$ 488	\$ -	\$ -	\$ 1,980

Note: Customer types that are classified based on the Group's credit risk management policy are as follows:

Group 1: The credit risk of customers has been insured by professional insurance companies.

Group 2: The credit risk of customers has not been insured by professional insurance companies.

Considering that the accounts receivable are insured, the Group did not recognise the impairment loss amounting to \$707 and \$1,020 on December 31, 2025 and 2024, respectively.

vii. Movements in relation to the Group applying the simplified approach to provide loss allowance for accounts receivable and accounts receivable due from related parties are as follows:

	2025		
	Receivables from non-related parties	Receivables from related parties	Total
	Group assessment	Group assessment	
At January 1	\$ 2,094	\$ 16	\$ 2,110
Provision for impairment (reversal of impairment loss)	4,425 (16)	4,409
Effect of exchange rate changes	21	-	21
At December 31	<u>\$ 6,540</u>	<u>\$ -</u>	<u>\$ 6,540</u>
	2024		
	Receivables from non-related parties	Receivables from related parties	Total
	Group assessment	Group assessment	
At January 1	\$ 1,807	\$ 34	\$ 1,841
Provision for impairment (reversal of impairment loss)	277 (18)	259
Effect of exchange rate changes	10	-	10
At December 31	<u>\$ 2,094</u>	<u>\$ 16</u>	<u>\$ 2,110</u>

(d) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

- ii. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.
- iii. The Group has the following undrawn borrowing facilities:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Floating rate:		
Expiring within one year	\$ 1,916,930	\$ 2,178,926

- iv. The Group analyses non-derivative financial liabilities based on the remaining period at the balance sheet date to the contractual maturity date, and derivative financial liabilities based on the fair value on the balance sheet.

Except for accounts payable, other payables and forward foreign exchange contracts whose contractual undiscounted cash flows are approximate to the carrying amount and which mature within a year, the contractual undiscounted cash flows of financial liabilities are as follows:

December 31, 2025

<u>Non-derivative financial liabilities</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term loans	\$ 45,833	\$ -	\$ -	\$ -
Lease liabilities	28,987	11,320	22,465	-

December 31, 2024

<u>Non-derivative financial liabilities</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term loans	\$ 39,321	\$ -	\$ -	\$ -
Lease liabilities	19,163	13,911	8,364	-

- v. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in forward exchange contract is included in Level 2.

Level 3: Unobservable inputs for the asset or liability.

- B. The carrying amounts of financial instruments not measured at fair value including cash and cash equivalents, notes receivable, accounts receivable, other receivables, guarantee deposits paid, short-term borrowings, accounts payable and other payables are approximate to their fair values.
- C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets (liabilities) are as follows:

December 31, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through comprehensive income				
Unlisted stocks	\$ <u> -</u>	\$ <u> -</u>	\$ <u> 4,316</u>	\$ <u> 4,316</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Forward exchange contracts	\$ <u> -</u>	(\$ <u> 2,656</u>)	\$ <u> -</u>	(\$ <u> 2,656</u>)
December 31, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Forward exchange contracts	\$ <u> -</u>	\$ <u> 1,451</u>	\$ <u> -</u>	\$ <u> 1,451</u>

- D. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date (i.e. yield curves on the Taipei Exchange, average commercial paper interest rates quoted from Reuters).
- E. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

F. There was no transfer between Level 1 and Level 2 for the years ended December 31, 2025 and 2024.

G. The following table sets out the movements in Level 3 equity instruments for the year 2025:

	2025
At January 1	\$ -
Reclassification from investments accounted for using the equity method	4,316
At December 31	<u>\$ 4,316</u>

H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted stocks	<u>\$ 4,316</u>	Market comparable companies	Discount for lack of marketability	32.20%	The higher and control premium, the higher the fair value ; the higher the discount for lack of marketability, the lower the fair value.

I. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of other comprehensive income from financial assets categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2025	
			Recognised in other comprehensive income	
			Favourable change	Unfavourable change
Input	Change	Favourable change	Unfavourable change	
Financial assets				
Equity instrument	Liquidity ±5%	<u>\$ 216</u>	<u>\$ 216</u>	

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: None.

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 1.

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 2.

E. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: None.

F. Significant inter-company transactions during the reporting period: Please refer to table 3.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 4.

(3) Information on investments in Mainland China

Basic information: Please refer to table 5.

14. SEGMENT INFORMATION

(1) General information

The Group's management has determined the reportable segments based on the reports that the Board of Directors used to make strategic decisions. The Board of Directors considers the business from product type perspective, and the operating segments are classified into two segments: solar energy and semiconductor. The primary source of income of the disclosed operating segments arise from the manufacturing and trading of solar energy system and semiconductor supplies.

(2) Segment information

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

	Year ended December 31, 2025		
	Solar energy	Semiconductor	Total
External segment revenues	\$ 1,100,841	\$ 1,296,341	\$ 2,397,182
Internal segment revenues	-	-	-
Segment revenues	<u>\$ 1,100,841</u>	<u>\$ 1,296,341</u>	<u>\$ 2,397,182</u>
Segment freight and charges for exports	<u>\$ 123,032</u>	<u>\$ 10,991</u>	<u>\$ 134,023</u>
Segment impairment losses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Segment net (loss) income	<u>(\$ 245,447)</u>	<u>\$ 415,344</u>	<u>\$ 169,897</u>
	Year ended December 31, 2024		
	Solar energy	Semiconductor	Total
External segment revenues	\$ 1,367,253	\$ 1,041,559	\$ 2,408,812
Internal segment revenues	-	-	-
Segment revenues	<u>\$ 1,367,253</u>	<u>\$ 1,041,559</u>	<u>\$ 2,408,812</u>
Segment freight and charges for exports	<u>\$ 148,394</u>	<u>\$ 10,533</u>	<u>\$ 158,927</u>
Segment impairment losses	<u>\$ 21,465</u>	<u>\$ -</u>	<u>\$ 21,465</u>
Segment net (loss) income	<u>(\$ 400,910)</u>	<u>\$ 290,427</u>	<u>(\$ 110,483)</u>

(3) Reconciliation for segment income (loss)

A. Sales between segments are carried out at arm's length. The revenue from external parties reported to the Chief Operating Decision-Maker is measured in a manner consistent with that in the statement of comprehensive income.

B. Measurement of profit (loss) performance is based on operating profit (loss) before tax. Therefore, reconciliation for segment income (loss) is not required.

(4) Geographical information

Geographical information for the years ended December 31, 2025 and 2024 is as follows:

	Years ended December 31			
	2025		2024	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	\$ 920,252	\$ 140,041	\$ 708,918	\$ 95,187
Europe	721,905	2,606	977,773	1,566
Others	755,025	-	722,121	-
	<u>\$ 2,397,182</u>	<u>\$ 142,647</u>	<u>\$ 2,408,812</u>	<u>\$ 96,753</u>

(5) Major customer information

Major customer information of the Group for the years ended December 31, 2025 and 2024 is as follows:

	Years ended December 31			
	2025		2024	
	Revenue	Segment	Revenue	Segment
A customer	\$ 665,459	Semiconductor	\$ 501,840	Semiconductor
		(The blank)		

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Holding of marketable securities at the end of period (Excluding investments in subsidiaries, associates, and joint ventures)
December 31, 2025

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

At Period-End								
Holding company	Marketable securities	Relationship with the securities issuer	Account Title	Number of shares	Balance	Ownership (%)	Fair Value	Footnote
WIN WIN Precision Technology Nanjing Co., Ltd.	Shares of unlisted companies Hefei Chenling Technology Co.,Ltd	None	Financial assets at fair value through other comprehensive income	NA	\$ 4,315	40%	\$ 4,315	

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

Year ended December 31, 2025

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction		Percentage of total purchases (sales)	Differences in transaction terms			Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount		Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable/payable	
The Company	WINAICO Deutschland GmbH	The Company's subsidiary	Sales	(\$ 632,608)	(28%)	Note	Note	Note	\$ 70,290	14%	
The Company	WINAICO Australia PTY Ltd.	The Company's subsidiary	Sales	(129,699)	(6%)	Note	Note	Note	94,798	19%	

Note: Transaction terms to related party transaction are approximately the same as the transaction terms to third party transactions.

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Significant inter-company transactions during the reporting period

Year ended December 31, 2025

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	The Company	WINAICO Deutschland GmbH	1	Sales revenues	\$ 632,608	Note 5	26.39%
0	"	"	1	Accounts receivable	70,290	Note 5	3.08%
0	"	WINAICO Australia PTY LTD.	1	Sales revenues	129,699	Note 6	5.41%
0	"	"	1	Accounts receivable	94,798	Note 6	4.15%
0	"	Win Win Precision Technology Nanjing Co, Ltd.	1	Service expense	5,532	Note 7	0.23%

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

(1)Parent company is '0'.

(2)The subsidiaries are numbered in order starting from '1'.

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

(1)Parent company to subsidiary.

(2)Subsidiary to parent company.

(3)Subsidiary to subsidiary.

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

Note 4: Disclosing only the amount of \$5,000 of related party transactions.

Note 5: No similar transaction can be compared, selling price should be based on the agreement term. Collection is due in 60 days.

Note 6: No similar transaction can be compared, selling price should be based on the agreement term. Collection is due in 150 days.

Note 7: No similar transaction can be compared, selling price should be based on the agreement term. Collection is due in 30 days.

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Information on investees

Year ended December 31, 2025

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2025			Net profit (loss) of the investee for the year ended December 31, 2025	Investment income (loss) recognised by the Company for the year ended December 31, 2025	Footnote
				Balance as of December 31, 2025	Balance as of December 31, 2024	Number of shares	Ownership (%)	Book value			
The Company	Winaico B.V.	Netherlands	Investment holdings	\$ -	\$ 632,053	-	-	\$ -	(\$ 25,361)	(\$ 25,361)	Note 1
"	WINAICO Delaware Co., Ltd.	USA	Sales of solar photovoltaic modules	39,457	39,457	300,000	100%	20,834	9,674	9,674	
"	WINAICO Australia PTY Ltd.	Australia	Sales of solar photovoltaic modules	33,869	33,869	1,600,000	100%	1,668	(4,011)	(4,011)	
"	WINAICO Japan K.K.	Japan	Sales of solar photovoltaic modules	10,994	10,994	4,000	100%	5	(286)	(286)	
"	WINAICO Solar Projekt 1 GmbH	Germany	Operation of solar power plant	46,927	3,841	2,240,000	100%	473	(79)	(76)	Note 2
"	Win Win Green Energy Co.,Ltd.	Taiwan	Service of energy management consulting	1,000	1,000	100,000	100%	1,041	(48)	(48)	
"	WINAICO Deutschland GmbH	Germany	Sales of solar photovoltaic modules	203,203	-	1	100%	(3,028)	(35,849)	(10,501)	Note 2
WINAICO B.V.	WINAICO Solar Projekt 1 GmbH	Germany	Operation of solar power plant	-	43,086	-	-	-	(79)	-	Note 2
"	WINAICO Deutschland GmbH	Germany	Sales of solar photovoltaic modules	-	203,203	-	-	-	(35,849)	-	Note 2

Note 1:Due to the cessation of business of WINAICO B.V., the company cancelled its registration in the fourth quarter of 2025 and collected the remaining investment.

Note 2:For the group's operational considerations, the company simplified the investment structure in the second quarter of 2025.

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Information on investments in Mainland China

Year ended December 31, 2025

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2025			Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Remitted to Mainland China	Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Net income of investee for the year ended December 31, 2025	Ownership held by the Company (direct or indirect)(%)	Investment income (loss) recognised by the Company for the year ended December 31, 2025 (Note 2)	Book value of investments in Mainland China as of December 31, 2025	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2025	Footnote
				Amount remitted from Taiwan to Mainland China	Amount remitted back to Taiwan	Amount remitted from Taiwan to Mainland China										
Win Win Precision Technology Nanjing Co, Ltd.	Service provision and investment	\$ 9,060	1	\$ 9,060	\$ -	\$ -	\$ 9,060	\$ 5,074	100%	\$ 7,448	\$ 22,437	\$ -				
Hefei Chenling Technology Co., Ltd.	Sales of consumable materials of semiconductor equipment	43,888	3	-	-	-	-	11,598	40%	-	-	-	-	Note 3		

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs	Ceiling on investments in Mainland China imposed by the Investment Commission
The Company	\$ 9,060	\$ 9,060	\$ 997,695

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

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

Note 2: The investment income (loss) recognised for the current year was based on the financial statements that are audited by parent company's independent auditor.

Note 3: The investee in Mainland China was reinvested through the consolidated subsidiary, WIN WIN Precision Technology Nanjing Co., Ltd. As the Company lost its control over the investee company, the Company reclassified the investment into "Financial assets at fair value through other comprehensive income" measured at fair value, please refer to Table 1.