

**WIN WIN PRECISION TECHNOLOGY CO.,
LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
JUNE 30, 2026 AND 2025**

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.

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

PWCR26000103

To Win Win Precision Technology Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Win Win Precision Technology Co., Ltd. and its subsidiaries (the “Group”) as at June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months and six months then ended, as well as the consolidated statements of changes in equity and of cash flows for the six months then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As explained in Notes 4(3) and 6(7), the financial statements of insignificant consolidated subsidiaries and credit balance of investments accounted for using equity method (shown as other non-current liabilities) were not reviewed by independent auditors. Total assets of these subsidiaries amounted to NT\$273,309 thousand and NT\$111,760 thousand, constituting 10% and 5% of the consolidated total assets as at June 30, 2026 and 2025, respectively, total liabilities (including other non-current liabilities) amounted to NT\$15,999 thousand and NT\$14,914 thousand, constituting 2% and 3% of the consolidated total liabilities as at June 30, 2026 and 2025,

respectively, and total comprehensive income (loss) amounted to NT\$6,054 thousand, (NT\$9,338) thousand, NT\$6,135 thousand and (NT\$7,800) thousand, constituting 5.5%, (52.1%), 3.2% and (16.7%) of the consolidated total comprehensive income (loss) for the three months and six months then ended, respectively.

Qualified Conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of consolidated subsidiaries and investments accounted for using equity method been reviewed by independent auditors as described in the *Basis for qualified conclusion* section above, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2026 and 2025, and of its consolidated financial performance for the three months and six months then ended and its consolidated cash flows for the six months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Wen, Ya-Fang

Chen, Hsien-Cheng

For and on behalf of PricewaterhouseCoopers, Taiwan

August 11, 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
JUNE 30, 2026, DECEMBER 31, 2025 AND JUNE 30, 2025
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	June 30, 2026		December 31, 2025		June 30, 2025	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 762,159	27	\$ 871,900	38	\$ 956,808	46
1110	Financial assets at fair value	6(2)						
	through profit or loss, current		1,535	-	-	-	1,323	-
1140	Contract assets, current	6(19)	8,377	-	21,758	1	7,387	-
1150	Notes receivable, net	6(4)	2,768	-	19,715	1	10,003	-
1170	Accounts receivable, net	6(4)	589,882	21	386,496	17	315,675	15
1180	Accounts receivable due from	7(2)						
	related parties, net		-	-	-	-	21,500	1
1200	Other receivables		271	-	949	-	317	-
1210	Other receivables due from related	7(2)						
	parties, net		-	-	-	-	122	-
1220	Current income tax assets		28,871	1	29,312	1	29,238	2
130X	Inventories	6(5)	881,677	32	639,895	28	480,705	23
1410	Prepayments	6(6)	259,586	10	60,537	3	74,813	4
1479	Other current assets, others		1,017	-	895	-	2,652	-
1482	Current assets recognised from							
	costs to fulfil contracts with							
	customers		614	-	4,461	-	1,755	-
11XX	Total current assets		2,536,757	91	2,035,918	89	1,902,298	91
Non-current assets								
1517	Financial assets at fair value	6(3)						
	through other comprehensive							
	income, non-current		21,199	1	4,316	-	-	-
1600	Property, plant and equipment	6(8)	81,325	3	64,446	3	46,448	2
1755	Right-of-use assets	6(9)	47,518	2	60,473	3	44,150	2
1780	Intangible assets	6(10)	11,124	-	10,087	1	7,493	-
1840	Deferred income tax assets		66,253	2	76,606	3	77,325	4
1900	Other non-current assets	8	37,964	1	31,180	1	23,381	1
15XX	Total non-current assets		265,383	9	247,108	11	198,797	9
1XXX	Total assets		\$ 2,802,140	100	\$ 2,283,026	100	\$ 2,101,095	100

(Continued)

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2026, DECEMBER 31, 2025 AND JUNE 30, 2025
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	June 30, 2026		December 31, 2025		June 30, 2025	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current liabilities								
2100	Short-term borrowings	6(11)	\$ 206,222	7	\$ 45,501	2	\$ 60,250	3
2120	Financial liabilities at fair value through profit or loss, current	6(2)	-	-	2,656	-	-	-
2130	Contract liabilities, current	6(19)	39,133	1	34,446	2	31,592	2
2150	Notes payable		5,000	-	-	-	-	-
2170	Accounts payable		335,801	12	176,229	8	171,432	8
2200	Other payables	6(12)	280,466	10	222,935	10	196,822	9
2230	Current income tax liabilities		80,626	3	36,818	1	19,486	1
2250	Provisions for liabilities, current	6(15)	17,431	1	21,537	1	21,001	1
2280	Current lease liabilities		19,500	1	27,676	1	24,772	1
2300	Other current liabilities		4,901	-	3,369	-	4,212	-
21XX	Total current liabilities		<u>989,080</u>	<u>35</u>	<u>571,167</u>	<u>25</u>	<u>529,567</u>	<u>25</u>
Non-current liabilities								
2550	Provisions for liabilities, non-current	6(15)	15,094	1	14,999	1	14,905	1
2570	Deferred income tax liabilities		5,843	-	1,864	-	734	-
2580	Non-current lease liabilities		28,293	1	32,170	1	17,747	1
2670	Other non-current liabilities	6(7)	-	-	-	-	6,741	-
25XX	Total non-current liabilities		<u>49,230</u>	<u>2</u>	<u>49,033</u>	<u>2</u>	<u>40,127</u>	<u>2</u>
2XXX	Total liabilities		<u>1,038,310</u>	<u>37</u>	<u>620,200</u>	<u>27</u>	<u>569,694</u>	<u>27</u>
Equity								
Share capital		6(16)						
3110	Ordinary shares		677,220	24	674,326	30	670,505	32
3140	Advance receipts for share capital		295	-	2,705	-	1,170	-
Capital surplus		6(17)						
3200	Capital surplus		570,182	21	568,854	25	563,749	27
Retained earnings		6(18)						
3310	Legal reserve		96,460	3	83,627	4	83,627	4
3320	Special reserve		-	-	34,159	1	34,159	2
3350	Undistributed retained earnings		401,076	14	293,985	13	216,647	10
Other equity interest								
3400	Other equity interest		18,597	1	5,170	-	(38,456)	(2)
3XXX	Total equity		<u>1,763,830</u>	<u>63</u>	<u>1,662,826</u>	<u>73</u>	<u>1,531,401</u>	<u>73</u>
Significant contingent liabilities and unrecognised contract commitments		9						
3X2X	Total liabilities and equity		<u>\$ 2,802,140</u>	<u>100</u>	<u>\$ 2,283,026</u>	<u>100</u>	<u>\$ 2,101,095</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
THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

Items	Notes	Three months ended June 30				Six months ended June 30			
		2026		2025		2026		2025	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(19) and 7(2)	\$ 956,395	100	\$ 668,524	100	\$ 1,744,012	100	\$ 1,244,808	100
5000 Operating costs	6(5)	(600,831)	(63)	(414,428)	(62)	(1,080,930)	(62)	(821,233)	(66)
5900 Gross profit		<u>355,564</u>	<u>37</u>	<u>254,096</u>	<u>38</u>	<u>663,082</u>	<u>38</u>	<u>423,575</u>	<u>34</u>
5910 Unrealized profit from sales	6(7)	-	-	(3,040)	-	-	-	(4,367)	-
5950 Net gross profit		<u>355,564</u>	<u>37</u>	<u>251,056</u>	<u>38</u>	<u>663,082</u>	<u>38</u>	<u>419,208</u>	<u>34</u>
Operating expenses									
6100 Selling expenses		(122,021)	(13)	(92,805)	(15)	(215,291)	(12)	(180,261)	(14)
6200 General and administrative expenses		(71,475)	(7)	(63,236)	(9)	(147,501)	(9)	(120,714)	(10)
6300 Research and development expenses		(16,581)	(2)	(16,455)	(2)	(30,658)	(2)	(25,945)	(2)
6450 Expected credit impairment (loss) gain	12(2)	(17,282)	(2)	(613)	-	(43,364)	(2)	499	-
6000 Total operating expenses		<u>(227,359)</u>	<u>(24)</u>	<u>(173,109)</u>	<u>(26)</u>	<u>(436,814)</u>	<u>(25)</u>	<u>(326,421)</u>	<u>(26)</u>
6900 Operating profit		<u>128,205</u>	<u>13</u>	<u>77,947</u>	<u>12</u>	<u>226,268</u>	<u>13</u>	<u>92,787</u>	<u>8</u>
Non-operating income and expenses									
7100 Interest income	6(20)	889	-	2,467	-	2,397	-	5,358	-
7010 Other income	6(21)	3,385	-	3,864	1	4,709	-	15,427	1
7020 Other gains and losses	6(22)	88	-	(54,339)	(8)	4,560	-	(43,935)	(4)
7050 Finance costs	6(23)	(1,231)	-	(823)	-	(2,181)	-	(1,667)	-
7000 Total non-operating income and expenses		<u>3,131</u>	<u>-</u>	<u>(48,831)</u>	<u>(7)</u>	<u>9,485</u>	<u>-</u>	<u>(24,817)</u>	<u>(3)</u>
7900 Profit before income tax		<u>131,336</u>	<u>13</u>	<u>29,116</u>	<u>5</u>	<u>235,753</u>	<u>13</u>	<u>67,970</u>	<u>5</u>
7950 Income tax expense	6(26)	(31,073)	(3)	(4,805)	(1)	(55,177)	(3)	(16,982)	(1)
8200 Profit for the period		<u>\$ 100,263</u>	<u>10</u>	<u>\$ 24,311</u>	<u>4</u>	<u>\$ 180,576</u>	<u>10</u>	<u>\$ 50,988</u>	<u>4</u>
Other comprehensive income (net)									
Components of other comprehensive income that will not be reclassified to profit or loss									
8316 Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)	\$ 12,252	1	\$ -	-	\$ 16,696	1	\$ -	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(26)	(3,063)	-	-	-	(4,174)	-	-	-
8310 Components of other comprehensive income that will not be reclassified to profit or loss		<u>9,189</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>12,522</u>	<u>1</u>	<u>-</u>	<u>-</u>
Components of other comprehensive income that will be reclassified to profit or loss									
8361 Financial statements translation differences of foreign operations		(308)	-	(6,388)	(1)	905	-	(4,297)	-
8300 Other comprehensive income (loss)		<u>\$ 8,881</u>	<u>1</u>	<u>(\$ 6,388)</u>	<u>(1)</u>	<u>\$ 13,427</u>	<u>1</u>	<u>(\$ 4,297)</u>	<u>-</u>
8500 Total comprehensive income for the period		<u>\$ 109,144</u>	<u>11</u>	<u>\$ 17,923</u>	<u>3</u>	<u>\$ 194,003</u>	<u>11</u>	<u>\$ 46,691</u>	<u>4</u>
9750 Basic earnings per share	6(27)	<u>\$ 1.48</u>		<u>\$ 0.36</u>		<u>\$ 2.67</u>		<u>\$ 0.76</u>	
9850 Diluted earnings per share	6(27)	<u>\$ 1.47</u>		<u>\$ 0.36</u>		<u>\$ 2.65</u>		<u>\$ 0.75</u>	

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
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

		Share capital			Retained earnings			Other equity interest		
			Advance receipts for share capital				Undistributed retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	
	Notes	Ordinary shares		Capital surplus	Legal reserve	Special reserve				Total equity
<u>Six months ended June 30, 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 period		-	-	-	-	-	50,988	-	-	50,988
Other comprehensive loss for the period		-	-	-	-	-	-	(4,297)	-	(4,297)
Total comprehensive income (loss)		-	-	-	-	-	50,988	(4,297)	-	46,691
Appropriation and distribution of retained earnings:	6(18)									
Reversal of special reserve		-	-	-	-	(2,474)	2,474	-	-	-
Cash dividends of ordinary share		-	-	-	-	-	(73,726)	-	-	(73,726)
Exercise of employee stock options	6(14)	1,840	(405)	1,052	-	-	-	-	-	2,487
Compensation cost of employee share-based payments	6(14)	-	-	1,611	-	-	-	-	-	1,611
Expired dividends not claimed by shareholders	6(17)	-	-	2	-	-	-	-	-	2
Balance at June 30, 2025		<u>\$ 670,505</u>	<u>\$ 1,170</u>	<u>\$ 563,749</u>	<u>\$ 83,627</u>	<u>\$ 34,159</u>	<u>\$ 216,647</u>	<u>(\$ 38,456)</u>	<u>\$ -</u>	<u>\$1,531,401</u>
<u>Six months ended June 30, 2026</u>										
Balance at January 1, 2026		\$ 674,326	\$ 2,705	\$ 568,854	\$ 83,627	\$ 34,159	\$ 293,985	\$ 5,170	\$ -	\$1,662,826
Profit for the period		-	-	-	-	-	180,576	-	-	180,576
Other comprehensive income for the period		-	-	-	-	-	-	905	12,522	13,427
Total comprehensive income		-	-	-	-	-	180,576	905	12,522	194,003
Appropriation and distribution of retained earnings:	6(18)									
Legal reserve appropriated		-	-	-	12,833	-	(12,833)	-	-	-
Reversal of special reserve		-	-	-	-	(34,159)	34,159	-	-	-
Cash dividends of ordinary share		-	-	-	-	-	(94,811)	-	-	(94,811)
Exercise of employee stock options	6(14)	2,894	(2,410)	333	-	-	-	-	-	817
Compensation cost of employee share-based payments	6(14)	-	-	594	-	-	-	-	-	594
Expired dividends not claimed by shareholders	6(17)	-	-	1	-	-	-	-	-	1
Exercise of disgorgement	6(17)	-	-	400	-	-	-	-	-	400
Balance at June 30, 2026		<u>\$ 677,220</u>	<u>\$ 295</u>	<u>\$ 570,182</u>	<u>\$ 96,460</u>	<u>\$ -</u>	<u>\$ 401,076</u>	<u>\$ 6,075</u>	<u>\$ 12,522</u>	<u>\$1,763,830</u>

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
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

		Six months ended June 30	
	Notes	2026	2025
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 235,753	\$ 67,970
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense (including right-of-use assets)	6(8)(9)(24)	29,199	23,674
Amortisation expense	6(24)	1,862	1,058
Provision for (gain on reversal of) expected credit impairment loss	12(2)	43,364	(499)
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	6(2)	2,892	(1,302)
Interest expense	6(23)	2,181	1,667
Interest income	6(20)	(2,397)	(5,358)
Compensation cost of share-based payment	6(14)	594	1,611
Gains on disposal of property, plant and equipment	6(22)	(22)	-
Unrealized profit from sales	6(7)	-	4,367
Reclassification of overdue advance receipts as income	6(21)	-	(10,477)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss, current		(7,083)	1,430
Contract assets, current		13,381	(7,387)
Notes receivable		16,947	(8,136)
Accounts receivable (including related parties)		(247,600)	(67,099)
Other receivables (including related parties)		1,627	1,904
Inventories		(240,723)	69,784
Prepayments		(199,104)	(5,466)
Other current assets		(110)	(1,175)
Assets recognised from costs to fulfil contracts with customers		3,847	(810)
Changes in operating liabilities			
Contract liabilities, current		4,809	21,372
Accounts payable		164,134	46,679
Other payables		48,818	28,726
Provisions for liabilities		(4,106)	10,648
Other current liabilities		1,536	1,404
Cash (outflow) inflow generated from operations		(130,201)	174,585
Interest received		2,273	5,792
Interest paid		(1,607)	(1,623)
Income tax paid		(866)	(662)
Net cash flows (used in) from operating activities		(130,401)	178,092

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WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

	Notes	Six months ended June 30 2026	2025
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in prepayments for investments		(\$ 1,757)	\$ -
Acquisition of property, plant and equipment	6(28)	(36,591)	(16,307)
Proceeds from disposal of property, plant and equipment		22	-
Acquisition of intangible assets	6(28)	(3,111)	(529)
Increase in guarantee deposit paid		(7,059)	(731)
Decrease in guarantee deposit paid		712	6,679
Net cash flows used in investing activities		(47,784)	(10,888)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from short-term loans	6(29)	274,686	197,966
Payments of short-term loans	6(29)	(113,965)	(176,658)
Payments of principal portion of lease liabilities	6(29)	(15,565)	(12,790)
Cash dividends paid	6(18)	(94,811)	(73,726)
Exercise of employee stock options	6(14)	817	2,487
Expired dividends not claimed by shareholders	6(17)	1	2
Exercise of disgorgement	6(17)	400	-
Net cash flows from (used in) financing activities		51,563	(62,719)
Effect of exchange rates changes		16,881	(4,620)
Net (decrease) increase in cash and cash equivalents		(109,741)	99,865
Cash and cash equivalents at beginning of period		871,900	856,943
Cash and cash equivalents at end of period		\$ 762,159	\$ 956,808

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
SIX MONTHS ENDED JUNE 30, 2026 AND 2025

(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 August 11, 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 2026 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
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.

(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 2027 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027 (Note 1)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Amendments to IAS 21, 'Translation to a hyperinflationary presentation currency'	January 1, 2027
Amendments to IAS 28, 'Amendments to the fair value option in IAS 28 investments in associates and joint ventures'	January 1, 2027 (Note 2)

Note 1: The entities shall apply IFRS 18 starting from January 1, 2028. Additionally, entities can choose to adopt IFRS 18 earlier.

Note 2: The entities shall apply the amendment simultaneously with IFRS 18.

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment. The quantitative impact will be disclosed when the assessment is complete.

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.

(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 20, 'Regulatory assets and regulatory liabilities'	January 1, 2029

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

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 Accounting Standard 34, ‘Interim financial reporting’ that came into effect as endorsed by the FSC.

(2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
 - (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC[®] Interpretations, and SIC[®] Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(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
			June 30, 2026	December 31, 2025	June 30, 2025	
The Company	WINAICO Solar Projekt 1 GmbH	Operation of solar power plant	100	100	100	Note 1
"	WINAICO Australia PTY Ltd.	Sales of solar photovoltaic modules	100	100	100	Note 1
"	WINAICO B.V.	Investment holdings	-	-	100	Note 2
"	WINAICO Deutschland GmbH	Sales of solar photovoltaic modules	100	100	100	
"	WINAICO Japan K.K.	Sales of solar photovoltaic modules	100	100	100	Note 1
"	WIN WIN Precision Technology Nanjing Co., Ltd.	Provision of services and investment activities	100	100	100	Note 1
"	WIN WIN Delaware Precision Technology Co., Ltd.	Sales of solar photovoltaic modules	100	100	100	Note 1
"	Win Win Green Energy Co., Ltd	Service of energy management consulting	100	100	100	Note 1

Note 1: The financial statements of the entity as of and for the six months ended June 30, 2026 and 2025 were not reviewed by the independent auditors as the entity did not meet the definition of a significant subsidiary.

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	2 ~ 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:
- The amount of the initial measurement of lease liability;
 - Any lease payments made at or before the commencement date;
 - Any original direct costs incurred; and
 - 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) 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.

(18) 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.

(19) 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.

(20) Derecognition of financial liabilities

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

(21) 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.

(22) 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.

(23) 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.

(24) 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.
- F. The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

G. If a change in tax rate is enacted or substantively enacted in an interim period, the Group recognises the effect of the change immediately in the interim period in which the change occurs. The effect of the change on items recognised outside profit or loss is recognised in other comprehensive income or equity while the effect of the change on items recognised in profit or loss is recognised in profit or loss.

(25) 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.

(26) 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.

(27) 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 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, 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.

(28) 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.

(29) 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 management's evaluation of the likelihood of future inventory clearance, with particular attention to obsolete and slow-moving inventories. 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>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Cash on hand	\$ 2,511	\$ 1,683	\$ 1,633
Checking accounts and demand deposits	758,040	718,583	853,656
Time deposits	1,608	151,634	101,519
	<u>\$ 762,159</u>	<u>\$ 871,900</u>	<u>\$ 956,808</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>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Financial assets mandatorily measured at fair value through profit or loss			
Forward foreign exchange contracts	<u>\$ 1,535</u>	<u>\$ -</u>	<u>\$ 1,323</u>
Financial liabilities held for trading			
Forward foreign exchange contracts	<u>\$ -</u>	<u>\$ 2,656</u>	<u>\$ -</u>

A. The Group recognised net gain (loss) of \$388, \$2,653, (\$2,892) and \$1,302 on financial assets and liabilities measured at fair value through profit or loss for the three months and six months ended June 30, 2026 and 2025, respectively.

B. The Group entered into forward foreign exchange contracts to sell AUD and USD (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>June 30, 2026</u>	
	<u>Contract amount</u>	<u>Contract period</u>
	<u>(Notional principal)</u>	
Forward foreign exchange contracts	AUD 5,023 thousand	2026/03~2026/11
	USD 1,297 thousand	2026/03~2026/11

	December 31, 2025	
	Contract amount (Notional principal)	Contract period
Forward foreign exchange contracts	AUD 2,980 thousand	2025/08~2026/05
	June 30, 2025	
	Contract amount (Notional principal)	Contract period
Forward foreign exchange contracts	AUD 1,690 thousand	2025/03~2025/11

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

(3) Financial assets at fair value through other comprehensive income (As of June 30, 2025: Nil)

Items	June 30, 2026	December 31, 2025
Non-current items:		
Equity instrument		
Unlisted stocks	\$ 21,199	\$ 4,316

A. The Group has elected to classify strategic investments as financial assets at fair value through other comprehensive income.

B. Amounts recognised in other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Three months ended June 30, 2026	Six months ended June 30, 2026
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income		
Held at end of period	\$ 12,252	\$ 16,696

C. As at June 30, 2026 and 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 fair value through other comprehensive income held by the Group was \$21,199 and \$4,316, respectively.

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

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

(4) Notes and accounts receivable

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable	\$ 2,768	\$ 19,715	\$ 10,003
Accounts receivable	\$ 639,774	\$ 393,036	\$ 316,690
Less: Allowance for loss	(49,892)	(6,540)	(1,015)
	<u>\$ 589,882</u>	<u>\$ 386,496</u>	<u>\$ 315,675</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 June 30, 2026, December 31, 2025 and June 30, 2025, accounts receivable (including notes receivable) were all from contracts with customers. And as of January 1, 2025, the total balance of receivables from contracts with customers amounted to \$267,504 and loss allowance amounted to \$2,094.

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

D. As of June 30, 2026, December 31, 2025 and June 30, 2025, 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 \$592,650, \$406,211 and \$325,678, respectively.

(5) Inventories

	June 30, 2026		
	Cost	Allowance for valuation loss	Carrying amount
Raw materials	\$ 164,881	(\$ 12,489)	\$ 152,392
Work in process	45,623	(446)	45,177
Finished goods	318,805	(79,353)	239,452
Products	275,799	(33,579)	242,220
Inventory in transit	202,436	-	202,436
	<u>\$ 1,007,544</u>	<u>(\$ 125,867)</u>	<u>\$ 881,677</u>
	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
	<u>\$ 762,731</u>	<u>(\$ 122,836)</u>	<u>\$ 639,895</u>

	June 30, 2025		
	Cost	Allowance for valuation loss	Carrying amount
Raw materials	\$ 81,738	(\$ 11,237)	\$ 70,501
Work in process	30,511	(121)	30,390
Finished goods	264,603	(96,341)	168,262
Products	176,236	(41,061)	135,175
Inventory in transit	76,377	-	76,377
	<u>\$ 629,465</u>	<u>(\$ 148,760)</u>	<u>\$ 480,705</u>

The cost of inventories recognized as expense for the period:

	Three months ended June 30	
	2026	2025
Cost of goods sold	\$ 534,536	\$ 397,441
Loss on (gain on reversal of) decline in market value	8,001	(30,987)
Construction costs	4,998	5,146
Loss from disposal of inventory	20	4
Income from sale of scraps	-	(354)
	<u>\$ 547,555</u>	<u>\$ 371,250</u>

	Six months ended June 30	
	2026	2025
Cost of goods sold	\$ 970,027	\$ 761,558
Loss on (gain on reversal of) decline in market value	3,258	(17,698)
Construction costs	4,998	5,146
Loss from disposal of inventory	27	83
Income from sale of scraps	(5,772)	(2,259)
	<u>\$ 972,538</u>	<u>\$ 746,830</u>

For the three months ended March 31, 2026 and for the three months ended June 30, 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

	June 30, 2026	December 31, 2025	June 30, 2025
Prepayments to suppliers	\$ 214,769	\$ 31,153	\$ 39,837
Prepaid sales tax	20,630	13,039	16,089
Prepaid inspection fee	1,571	3,305	2,044
Other prepaid expenses	22,616	13,040	16,843
	<u>\$ 259,586</u>	<u>\$ 60,537</u>	<u>\$ 74,813</u>

(7) Investments accounted for using the equity method

(As of June 30, 2026 and December 31, 2025: Nil)

	2025
At January 1	(\$ 2,374)
Unrealized profit from sales	(4,367)
	(6,741)
Adjustment: Reclassification to other non-current liabilities	6,741
At June 30	\$ -

- 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 gain for the three months and six months ended June 30, 2025 was \$4,922 and \$5,162, respectively. The aforementioned investments accounted for using equity method were measured based on the associate's financial statements which were not reviewed by independent auditors.
- 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.

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(8) Property, plant and equipment

	2026					
	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Total
January 1						
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>
At January 1	\$ 46,137	\$ 990	\$ 5,576	\$ 6,362	\$ 5,381	\$ 64,446
Additions	14,343	-	2,977	3,964	912	22,196
Reclassifications (Cost)	7,063	-	384	-	-	7,447
Disposals (Cost)	(165)	-	-	-	(630)	(795)
Disposals (Accumulated depreciation)	165	-	-	-	630	795
Depreciation charge	(8,216)	(67)	(1,569)	(1,695)	(1,185)	(12,732)
Net exchange differences	-	(14)	-	-	(18)	(32)
At June 30	<u>\$ 59,327</u>	<u>\$ 909</u>	<u>\$ 7,368</u>	<u>\$ 8,631</u>	<u>\$ 5,090</u>	<u>\$ 81,325</u>
June 30						
Cost	\$ 176,295	\$ 1,051	\$ 21,494	\$ 43,050	\$ 20,511	\$ 262,401
Accumulated depreciation	(116,968)	(142)	(14,126)	(34,419)	(15,421)	(181,076)
	<u>\$ 59,327</u>	<u>\$ 909</u>	<u>\$ 7,368</u>	<u>\$ 8,631</u>	<u>\$ 5,090</u>	<u>\$ 81,325</u>

	2025					
	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Total
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	2,918	994	4,165	756	462	9,295
Reclassifications (Cost)	1,872	-	-	-	-	1,872
Disposals (Cost)	-	(584)	-	(1,520)	-	(2,104)
Disposals (Accumulated depreciation)	-	584	-	1,520	-	2,104
Depreciation charge	(6,649)	(10)	(1,105)	(1,185)	(813)	(9,762)
Net exchange differences	-	-	-	-	11	11
At June 30	<u>\$ 30,756</u>	<u>\$ 984</u>	<u>\$ 6,754</u>	<u>\$ 4,169</u>	<u>\$ 3,785</u>	<u>\$ 46,448</u>
June 30						
Cost	\$ 132,413	\$ 994	\$ 21,749	\$ 35,572	\$ 17,389	\$ 208,117
Accumulated depreciation	(101,657)	(10)	(14,995)	(31,403)	(13,604)	(161,669)
	\$ 30,756	\$ 984	\$ 6,754	\$ 4,169	\$ 3,785	\$ 46,448

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(15).
- 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:

	2026		
	Buildings and structures	Transportation equipment	Total
At January 1	\$ 20,601	\$ 39,872	\$ 60,473
Additions	-	3,512	3,512
Depreciation charge	(10,712)	(5,755)	(16,467)
At June 30	<u>\$ 9,889</u>	<u>\$ 37,629</u>	<u>\$ 47,518</u>

	2025			
	Buildings and structures	Transportation equipment	Office equipment	Total
At January 1	\$ 25,780	\$ 15,296	\$ 751	\$ 41,827
Additions	15,670	565	-	16,235
Depreciation charge	(10,547)	(2,864)	(501)	(13,912)
At June 30	<u>\$ 30,903</u>	<u>\$ 12,997</u>	<u>\$ 250</u>	<u>\$ 44,150</u>

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

	Three months ended June 30	
	2026	2025
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 367	\$ 326
Expense on short-term lease contracts	7,960	7,492
	Six months ended June 30	
	2026	2025
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 774	\$ 694
Expense on short-term lease contracts	14,366	17,618

- E. For the six months ended June 30, 2026 and 2025, the Group's total cash outflow for leases were \$30,705 and \$31,102, respectively.

(10) Intangible assets

2026				
	Computer Software	Trademarks	Patents	Total
January 1				
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>
At January 1	\$ 8,597	\$ 793	\$ 697	\$ 10,087
Additional-acquired separately	2,624	-	-	2,624
Reclassifications (Cost)	280	-	-	280
Disposals (Cost)	-	-	(136)	(136)
Disposals (Accumulated amortization)	-	-	136	136
Amortization charge	(1,742)	(77)	(43)	(1,862)
Net exchange differences	(5)	-	-	(5)
At June 30	<u>\$ 9,754</u>	<u>\$ 716</u>	<u>\$ 654</u>	<u>\$ 11,124</u>
June 30				
Cost	\$ 16,577	\$ 2,330	\$ 1,126	\$ 20,033
Accumulated amortization	(6,823)	(1,614)	(472)	(8,909)
	<u>\$ 9,754</u>	<u>\$ 716</u>	<u>\$ 654</u>	<u>\$ 11,124</u>
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	483	-	46	529
Disposals (Cost)	(5,954)	-	-	(5,954)
Disposals (Accumulated amortization)	5,954	-	-	5,954
Amortization charge	(937)	(77)	(44)	(1,058)
At June 30	<u>\$ 5,971</u>	<u>\$ 873</u>	<u>\$ 649</u>	<u>\$ 7,493</u>
June 30				
Cost	\$ 9,800	\$ 2,330	\$ 1,170	\$ 13,300
Accumulated amortization	(3,829)	(1,457)	(521)	(5,807)
	<u>\$ 5,971</u>	<u>\$ 873</u>	<u>\$ 649</u>	<u>\$ 7,493</u>

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

	Three months ended June 30	
	2026	2025
Operating costs	\$ 117	\$ -
Selling expenses	39	40
Administrative expenses	603	458
Research and development expenses	264	45
	<u>\$ 1,023</u>	<u>\$ 543</u>

	Six months ended June 30	
	2026	2025
Operating costs	\$ 152	\$ -
Selling expenses	78	79
Administrative expenses	1,104	912
Research and development expenses	528	67
	<u>\$ 1,862</u>	<u>\$ 1,058</u>

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

(11) Short-term borrowings

Type of borrowings	June 30, 2026	December 31, 2025	June 30, 2025
Bank borrowings			
Unsecured borrowings	<u>\$ 206,222</u>	<u>\$ 45,501</u>	<u>\$ 60,250</u>
Interest rate range	2.84%~3.70%	2.76%~2.97%	2.56%~3.10%

(12) Other payables

	June 30, 2026	December 31, 2025	June 30, 2025
Salary and year-end bonus payable	\$ 144,201	\$ 136,909	\$ 108,891
Business tax payable	36,337	-	25,615
Customs and miscellaneous payable	34,826	12,738	11,409
Labor and National Health insurance payable	10,561	9,491	8,111
Service payable	5,991	7,290	6,086
Pension expense payable	4,785	4,441	3,854
Rents payable	4,381	3,074	2,949
Freight payable	3,408	1,036	3,727
Insurance payable	1,831	1,918	2,208
Utilities payable	1,825	2,505	2,557
Equipment payable	1,383	9,987	1,242
Others	30,937	33,546	20,173
	<u>\$ 280,466</u>	<u>\$ 222,935</u>	<u>\$ 196,822</u>

(13) 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 three months and six months ended June 30, 2026 and 2025 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, WIN WIN Delaware Precision Technology 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 three months and six months ended June 30, 2026 and 2025 were \$5,368, \$4,460, \$10,533 and \$8,742, respectively.

(14) 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 six months ended June 30, 2026 and 2025, 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)

(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:

	Six months ended June 30, 2026	
	No. of options (in thousand)	Weighted-average exercise price (in dollars)
Options outstanding at January 1	697	\$ 17.2
Options exercised	(48)	16.7
Options expired	(20)	
Options forfeited	(13)	
Options outstanding at June 30	616	16.7
Options exercisable at June 30	255	

	Six months ended June 30, 2025	
	No. of options (in thousand)	Weighted-average exercise price (in dollars)
Options outstanding at January 1	1,455	\$ 17.9
Options exercised	(144)	17.2
Options forfeited	(38)	
Options expired	(33)	
Options outstanding at June 30	1,240	17.2
Options exercisable at June 30	294	

As of June 30, 2026, December 31, 2025 and June 30, 2025, the exercise prices of stock options outstanding were \$16.7 (in dollars), \$17.2 (in dollars) and \$17.2 (in dollars); the remaining contractual periods were 1.1 years, 1.6 years and 2.1 years, respectively.

D. The fair value of stock options granted on grant date is measured using the Binomial 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

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.

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

	Three months ended June 30	
	2026	2025
Compensation costs of employee stock options	\$ 294	\$ 982
	Six months ended June 30	
	2026	2025
Compensation costs of employee stock options	\$ 594	\$ 1,611

(15) Provisions for liabilities

	2026		
	Warranty	Decommissioning liabilities	Total
At January 1	\$ 21,537	\$ 14,999	\$ 36,536
Additional provisions	8,484	95	8,579
Utilisation/reversal during the period	(12,590)	-	(12,590)
At June 30	\$ 17,431	\$ 15,094	\$ 32,525
	2025		
	Warranty	Decommissioning liabilities	Total
At January 1	\$ 10,353	\$ 14,810	\$ 25,163
Additional provisions	14,217	95	14,312
Utilisation/reversal during the period	(3,569)	-	(3,569)
At June 30	\$ 21,001	\$ 14,905	\$ 35,906

Analysis of total provisions:

	June 30, 2026	December 31, 2025	June 30, 2025
Current	\$ 17,431	\$ 21,537	\$ 21,001
Non-current	\$ 15,094	\$ 14,999	\$ 14,905

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.

(16) Share capital

- A. As of June 30, 2026, December 31, 2025 and June 30, 2025, 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 was \$677,220, \$674,326 and \$670,505, 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>2026 (in thousands)</u>	<u>2025 (in thousands)</u>
At January 1	67,433	66,867
Exercise of employee stock options	<u>289</u>	<u>184</u>
At June 30	<u>67,722</u>	<u>67,051</u>

- B. For the year ended December 31, 2024, the Company's employee share options were 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.
- C. For the three months ended March 31, 2025, the Company's employee share options were exercised by 27 thousand shares as resolved by the Board of Directors on May 12, 2025. The effect date of the abovementioned shares was set on May 28, 2025 and the registration had been completed.
- D. For the three months ended June 30, 2025, the Company's employee share options were exercised by 117 thousand shares as resolved by the Board of Directors on August 11, 2025. The effect date of the abovementioned shares was set on August 11, 2025 and the registration had been completed.
- E. For the year ended December 31, 2025, the Company's employee share options were 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 and the registration had been completed.
- F. For the three months ended March 31, 2026, the Company's employee share options were exercised by 19 thousand shares as resolved by the Board of Directors on May 12, 2026. The effect date of the abovementioned shares was set on May 29, 2026 and the registration had been completed.
- G. For the three months ended June 30, 2026, the Company's employee share options were exercised by 29 thousand shares as resolved by the Board of Directors on August 11, 2026. The effect date of the abovementioned shares was set on August 28, 2026.

(17) 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.

	2026				
	Additional paid-in capital in excess of par, ordinary share	Employee stock options	Expired stock options	Others	Total
At January 1	\$ 555,601	\$ 9,325	\$ 3,924	\$ 4	\$ 568,854
Share-based compensation costs	-	594	-	-	594
Exercise of employee stock options	1,059 (	726)	-	-	333
Expired employee stock options	- (	390)	390	-	-
Expired unclaimed dividends	-	-	-	1	1
Exercise of disgorgement	-	-	-	400	400
At June 30	<u>\$ 556,660</u>	<u>\$ 8,803</u>	<u>\$ 4,314</u>	<u>\$ 405</u>	<u>\$ 570,182</u>

	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	-	1,611	-	-	1,611
Exercise of employee stock options	4,011 (	2,959)	-	-	1,052
Expired employee stock options	- (	489)	489	-	-
Expired unclaimed dividends	-	-	-	2	2
At June 30	<u>\$ 544,711</u>	<u>\$ 15,112</u>	<u>\$ 3,924</u>	<u>\$ 2</u>	<u>\$ 563,749</u>

(18) 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, at a meeting attended by at least 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 are 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 2025 and 2024 resolved by the shareholders on May 25, 2026 and May 28, 2025, respectively, are as follows:

	Year 2025		Year 2024	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve appropriated	\$ 12,833		\$ -	
Reversal of special reserve	(34,159)		(2,474)	
Cash dividends	94,811	\$ 1.40	73,726	\$ 1.10

- (b) For the information relating to the distribution of earnings as resolved by the shareholders, please refer to the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(19) Operating revenue

	Three months ended June 30	
	2026	2025
Sales of goods contract	\$ 874,695	\$ 604,660
Service contract	63,777	47,753
Construction contract	17,923	16,111
	<u>\$ 956,395</u>	<u>\$ 668,524</u>

	Six months ended June 30	
	2026	2025
Sales of goods contract	\$ 1,592,015	\$ 1,137,628
Service contract	124,540	90,693
Construction contract	27,457	16,487
	<u>\$ 1,744,012</u>	<u>\$ 1,244,808</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		
	Solar energy	Semiconductor	Solar energy	Solar energy	Semiconductor	Total
Three months ended June 30, 2026						
Sales of goods contract	\$ 41,996	\$ 224,124	\$ 295,474	\$ 86,699	\$ 226,402	\$ 874,695
Service contract	-	63,760	17	-	-	63,777
Construction contract	17,923	-	-	-	-	17,923
	<u>\$ 59,919</u>	<u>\$ 287,884</u>	<u>\$ 295,491</u>	<u>\$ 86,699</u>	<u>\$ 226,402</u>	<u>\$ 956,395</u>
Revenue recognition:						
At a point in time	\$ 41,996	\$ 287,884	\$ 295,491	\$ 86,699	\$ 226,402	\$ 938,472
Over time	17,923	-	-	-	-	17,923
	<u>\$ 59,919</u>	<u>\$ 287,884</u>	<u>\$ 295,491</u>	<u>\$ 86,699</u>	<u>\$ 226,402</u>	<u>\$ 956,395</u>
	Taiwan		Europe	Others		
	Solar energy	Semiconductor	Solar energy	Solar energy	Semiconductor	Total
Three months ended June 30, 2025						
Sales of goods contract	\$ 61,409	\$ 124,333	\$ 236,746	\$ 36,667	\$ 145,505	\$ 604,660
Service contract	-	47,723	30	-	-	47,753
Construction contract	16,111	-	-	-	-	16,111
	<u>\$ 77,520</u>	<u>\$ 172,056</u>	<u>\$ 236,776</u>	<u>\$ 36,667</u>	<u>\$ 145,505</u>	<u>\$ 668,524</u>
Revenue recognition:						
At a point in time	\$ 61,409	\$ 172,056	\$ 236,776	\$ 36,667	\$ 145,505	\$ 652,413
Over time	16,111	-	-	-	-	16,111
	<u>\$ 77,520</u>	<u>\$ 172,056</u>	<u>\$ 236,776</u>	<u>\$ 36,667</u>	<u>\$ 145,505</u>	<u>\$ 668,524</u>

	Taiwan		Europe	Others		Total
	Solar energy	Semiconductor	Solar energy	Solar energy	Semiconductor	
Six months ended June 30, 2026						
Sales of goods contract	\$ 97,493	\$ 399,117	\$ 531,176	\$ 143,087	\$ 421,142	\$ 1,592,015
Service contract	3	124,498	39	-	-	124,540
Construction contract	27,457	-	-	-	-	27,457
	<u>\$ 124,953</u>	<u>\$ 523,615</u>	<u>\$ 531,215</u>	<u>\$ 143,087</u>	<u>\$ 421,142</u>	<u>\$ 1,744,012</u>
Revenue recognition:						
At a point in time	\$ 97,496	\$ 523,615	\$ 531,215	\$ 143,087	\$ 421,142	\$ 1,716,555
Over time	27,457	-	-	-	-	27,457
	<u>\$ 124,953</u>	<u>\$ 523,615</u>	<u>\$ 531,215</u>	<u>\$ 143,087</u>	<u>\$ 421,142</u>	<u>\$ 1,744,012</u>
	Taiwan		Europe	Others		Total
	Solar energy	Semiconductor	Solar energy	Solar energy	Semiconductor	
Six months ended June 30, 2025						
Sales of goods contract	\$ 98,532	\$ 245,177	\$ 452,257	\$ 65,202	\$ 276,460	\$ 1,137,628
Service contract	-	90,616	77	-	-	90,693
Construction contract	16,487	-	-	-	-	16,487
	<u>\$ 115,019</u>	<u>\$ 335,793</u>	<u>\$ 452,334</u>	<u>\$ 65,202</u>	<u>\$ 276,460</u>	<u>\$ 1,244,808</u>
Revenue recognition:						
At a point in time	\$ 98,532	\$ 335,793	\$ 452,334	\$ 65,202	\$ 276,460	\$ 1,228,321
Over time	16,487	-	-	-	-	16,487
	<u>\$ 115,019</u>	<u>\$ 335,793</u>	<u>\$ 452,334</u>	<u>\$ 65,202</u>	<u>\$ 276,460</u>	<u>\$ 1,244,808</u>

B. Contract assets and liabilities

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

	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Contract assets:				
Construction contract	<u>\$ 8,377</u>	<u>\$ 21,758</u>	<u>\$ 7,387</u>	
Contract liabilities:				
Sales of goods contract	\$ 35,083	\$ 19,898	\$ 15,365	\$ 9,220
Construction contract	<u>4,050</u>	<u>14,548</u>	<u>16,227</u>	<u>1,181</u>
	<u>\$ 39,133</u>	<u>\$ 34,446</u>	<u>\$ 31,592</u>	<u>\$ 10,401</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:

	Three months ended June 30	
	2026	2025
Sales of goods contract	\$ 696	\$ 1,585
Construction contract	<u>5,109</u>	<u>1,134</u>
	<u>\$ 5,805</u>	<u>\$ 2,719</u>

	Six months ended June 30	
	2026	2025
Sales of goods contract	\$ 11,790	\$ 5,472
Construction contract	14,520	1,181
	<u>\$ 26,310</u>	<u>\$ 6,653</u>

(c) The transaction price of unperformed performance obligation

As of June 30, 2026, the total price of the Group's unperformed performance obligation was \$38,681, 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 to 2027.

(20) Interest income

	Three months ended June 30	
	2026	2025
Interest income from bank	\$ 850	\$ 2,442
Other interest income	39	25
	<u>\$ 889</u>	<u>\$ 2,467</u>

	Six months ended June 30	
	2026	2025
Interest income from bank	\$ 2,315	\$ 5,302
Other interest income	82	56
	<u>\$ 2,397</u>	<u>\$ 5,358</u>

(21) Other income

	Three months ended June 30	
	2026	2025
Government grant income	\$ 1,969	\$ 2,760
Reclassification of overdue advance receipts as income	-	-
Others	1,416	1,104
	<u>\$ 3,385</u>	<u>\$ 3,864</u>

	Six months ended June 30	
	2026	2025
Government grant income	\$ 1,969	\$ 2,927
Reclassification of overdue advance receipts as income	-	10,477
Others	2,740	2,023
	<u>\$ 4,709</u>	<u>\$ 15,427</u>

(22) Other gains and losses

	Three months ended June 30	
	2026	2025
Net gains on financial assets and liabilities at fair value through profit or loss	\$ 388	\$ 2,653
Net exchange losses	(296)	(56,990)
Others	(4)	(2)
	<u>\$ 88</u>	<u>(\$ 54,339)</u>
	Six months ended June 30	
	2026	2025
Net (losses) gains on financial assets and liabilities at fair value through profit or loss	(\$ 2,892)	\$ 1,302
Gains on disposals of property, plant and equipment	22	-
Net exchange gains (losses)	7,474	(45,224)
Compensation losses	-	(11)
Others	(44)	(2)
	<u>\$ 4,560</u>	<u>(\$ 43,935)</u>

(23) Finance costs

	Three months ended June 30	
	2026	2025
Interest expense		
Bank loan	\$ 816	\$ 450
Lease liabilities	367	326
Decommissioning liabilities	48	47
	<u>\$ 1,231</u>	<u>\$ 823</u>
	Six months ended June 30	
	2026	2025
Interest expense		
Bank loan	\$ 1,312	\$ 878
Lease liabilities	774	694
Decommissioning liabilities	95	95
	<u>\$ 2,181</u>	<u>\$ 1,667</u>

(24) Additional information of expenses by nature

	Three months ended June 30	
	2026	2025
Employee benefit expense	\$ 142,826	\$ 126,796
Transportation and charges for exports	63,572	35,013
Charges for services	9,176	11,329
Depreciation charges on right-of-use assets	8,265	6,888
Operating lease expense	7,960	7,492
Depreciation charges on property, plant and equipment	6,946	4,959
Amortization charges on intangible assets	1,023	543
	<u>\$ 239,768</u>	<u>\$ 193,020</u>

	Six months ended June 30	
	2026	2025
Employee benefit expense	\$ 290,782	\$ 240,363
Transportation and charges for exports	99,824	71,772
Charges for services	22,121	18,543
Depreciation charges on right-of-use assets	16,467	13,912
Operating lease expense	14,366	17,618
Depreciation charges on property, plant and equipment	12,732	9,762
Amortization charges on intangible assets	1,862	1,058
	<u>\$ 458,154</u>	<u>\$ 373,028</u>

(25) Employee benefit expense

	Three months ended June 30	
	2026	2025
Wages and salaries	\$ 119,693	\$ 107,500
Labor and health insurance fees	11,106	9,142
Pension costs	5,368	4,460
Directors' remuneration	966	402
Share-based compensation cost	294	982
Other employee benefit expense	5,399	4,310
	<u>\$ 142,826</u>	<u>\$ 126,796</u>

	Six months ended June 30	
	2026	2025
Wages and salaries	\$ 242,199	\$ 201,604
Labor and health insurance fees	22,875	18,717
Pension costs	10,533	8,742
Directors' remuneration	1,962	850
Share-based compensation cost	594	1,611
Other employee benefit expense	12,619	8,839
	<u>\$ 290,782</u>	<u>\$ 240,363</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 three months and six months ended June 30, 2026 and 2025, employees' compensation was accrued at \$3,999, \$904, \$6,975 and \$2,098, respectively; while directors' remuneration was accrued at \$666, \$151, \$1,162 and \$350, 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 six months ended June 30, 2026, respectively.

Employees' compensation of \$4,572 and directors' remuneration of \$755 for 2025 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2025 financial statements. The aforementioned employees' compensation will be distributed in the form of cash. As of June 30, 2026, the compensation has not yet been distributed.

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.

(26) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended June 30	
	2026	2025
Current tax:		
Current tax on profit for the period	\$ 13,639	\$ 2,661
Underestimation (overestimation) of income tax in prior years	668 (	1,598)
Tax on undistributed earnings	2,742	-
Total current tax	17,049	1,063
Deferred tax:		
Origination and reversal of temporary differences	14,024	3,742
Income tax expense	\$ 31,073	\$ 4,805

	Six months ended June 30	
	2026	2025
Current tax:		
Current tax on profits for the period	\$ 42,169	\$ 18,783
Underestimation (overestimation) of income tax in prior years	668 (	1,598)
Tax on undistributed earnings	2,742	-
Total current tax	45,579	17,185
Deferred tax:		
Origination and reversal of temporary differences	9,598 (	203)
Income tax expense	<u>\$ 55,177</u>	<u>\$ 16,982</u>

(b) The income tax charge/(credit) relating to components of other comprehensive income is as follows:

	Three months ended June 30	
	2026	2025
Changes in fair value of financial assets at fair value through other comprehensive income	<u>\$ 3,063</u>	<u>\$ -</u>

	Six months ended June 30	
	2026	2025
Changes in fair value of financial assets at fair value through other comprehensive income	<u>\$ 4,174</u>	<u>\$ -</u>

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

(27) Earnings per share

	Three months ended June 30, 2026		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to owners of the parent	<u>\$ 100,263</u>	67,709	<u>\$ 1.48</u>
<u>Diluted earnings per share</u>			
Dilutive effect of potential ordinary shares			
Employees stock option		519	
Employees' compensation		52	
Profit attributable to owners of the parent plus dilutive effect of potential ordinary shares	<u>\$ 100,263</u>	<u>68,280</u>	<u>\$ 1.47</u>

Three months ended June 30, 2025			
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to owners of the parent	\$ 24,311	67,033	\$ 0.36
<u>Diluted earnings per share</u>			
Dilutive effect of potential ordinary shares			
Employees stock option		911	
Employees' compensation		17	
Profit attributable to owners of the parent plus dilutive effect of potential ordinary shares	\$ 24,311	67,961	\$ 0.36
Six months ended June 30, 2026			
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to owners of the parent	\$ 180,576	67,571	\$ 2.67
<u>Diluted earnings per share</u>			
Dilutive effect of potential ordinary shares			
Employees stock option		501	
Employees' compensation		125	
Profit attributable to owners of the parent plus dilutive effect of potential ordinary shares	\$ 180,576	68,197	\$ 2.65
Six months ended June 30, 2025			
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to owners of the parent	\$ 50,988	66,976	\$ 0.76
<u>Diluted earnings per share</u>			
Dilutive effect of potential ordinary shares			
Employees stock option		732	
Employees' compensation		40	
Profit attributable to owners of the parent plus dilutive effect of potential ordinary shares	\$ 50,988	67,748	\$ 0.75

(28) Supplemental cash flow information

Investing activities with partial cash payments:

	Six months ended June 30	
	2026	2025
Purchase of property, plant and equipment (Note)	\$ 29,643	\$ 11,167
Add: Opening balance of payable on equipment	9,987	2,378
Ending balance of prepayment for equipment	5,705	5,876
Less: Ending balance of payable on equipment	(1,383)	(1,242)
Opening balance of prepayment for equipment	(7,361)	(1,872)
Cash paid during the period	<u>\$ 36,591</u>	<u>\$ 16,307</u>

Note: Including reclassifications of property, plant and equipment.

	Six months ended June 30	
	2026	2025
Purchase of intangible assets (Note)	\$ 2,904	\$ 529
Add: Opening balance of payable on equipment	-	-
Ending balance of prepayment for equipment	487	-
Less: Ending balance of payable on equipment	-	-
Opening balance of prepayment for equipment	(280)	-
Cash paid during the period	<u>\$ 3,111</u>	<u>\$ 529</u>

Note: Including reclassifications of intangible assets.

(29) Changes in liabilities from financing activities

	2026		
	Short-term borrowings	Lease liabilities	Liabilities from financing activities - gross
At January 1	\$ 45,501	\$ 59,846	\$ 105,347
Changes in cash flow from financing activities	160,721	(15,565)	145,156
Interest expense paid (Note)	-	(774)	(774)
Changes in other non-cash items	-	4,286	4,286
At June 30	<u>\$ 206,222</u>	<u>\$ 47,793</u>	<u>\$ 254,015</u>

	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	21,308	(12,790)	8,518
Interest expense paid (Note)	-	(694)	(694)
Changes in other non-cash items	-	16,929	16,929
At June 30	<u>\$ 60,250</u>	<u>\$ 42,519</u>	<u>\$ 102,769</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>
Directors, general managers and vice general manager	The Group's key management
Hefei Chenling Technology Co., Ltd.	The Group's associate (Note)

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, 2025. Disclosures of related party transactions still pertain to the six months ended June 30, 2025.

(2) Significant related party transactions

A. Sales revenue (For the six months ended June 30, 2026: Nil)

	<u>Three months ended June 30, 2025</u>
The Group's associate	\$ <u>16,565</u>
	<u>Six months ended June 30, 2025</u>
The Group's associate	\$ <u>23,691</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 90 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 June 30, 2026 and December 31, 2025: Nil)

	<u>June 30, 2025</u>
Associate	
Accounts receivable	\$ 22,091
Less: Allowance for loss	(591)
	\$ <u>21,500</u>
Other receivables	\$ <u>122</u>

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

	<u>June 30, 2025</u>
Without past due	\$ 17,077
Up to 1- 60 days	5,014
	\$ <u>22,091</u>

(3) Key management compensation

	Three months ended June 30	
	2026	2025
Salaries and other short-term employee benefits	\$ 23,423	\$ 19,827
Share-based payments	145	466
Post-employment benefits	383	319
	<u>\$ 23,951</u>	<u>\$ 20,612</u>

	Six months ended June 30	
	2026	2025
Salaries and other short-term employee benefits	\$ 45,910	\$ 39,609
Share-based payments	289	927
Post-employment benefits	722	662
	<u>\$ 46,921</u>	<u>\$ 41,198</u>

8. PLEDGED ASSETS

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

Pledged asset	Purpose	June 30, 2026	December 31, 2025	June 30, 2025
Guarantee deposits paid (shown as other non-current assets)	Custom deposits and guarantees for lease	<u>\$ 30,015</u>	<u>\$ 23,539</u>	<u>\$ 17,505</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:

	June 30, 2026	December 31, 2025	June 30, 2025
Unused letters of guarantee	<u>\$ 263,212</u>	<u>\$ 52,461</u>	<u>\$ 112,270</u>

B. As of June 30, 2026, the amount of contracted but not yet paid commitments for the purchase of equipment and software was \$17,463.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT SUBSEQUENT EVENTS

None.

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>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</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	\$ 1,535	\$ -	\$ 1,323
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	\$ 21,199	\$ 4,316	\$ -
Financial assets at amortized cost			
Cash and cash equivalents	\$ 762,159	\$ 871,900	\$ 956,808
Notes receivable	2,768	19,715	10,003
Accounts receivable (including related parties)	589,882	386,496	337,175
Other receivables (including related parties)	271	949	439
Guarantee deposits paid	30,015	23,539	17,505
	<u>\$ 1,385,095</u>	<u>\$ 1,302,599</u>	<u>\$ 1,321,930</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	\$ 206,222	\$ 45,501	\$ 60,250
Notes payable	5,000	-	-
Accounts payable	335,801	176,229	171,432
Other payables	280,466	222,935	196,822
	<u>\$ 827,489</u>	<u>\$ 444,665</u>	<u>\$ 428,504</u>
Lease liabilities	<u>\$ 47,793</u>	<u>\$ 59,846</u>	<u>\$ 42,519</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 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 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:

June 30, 2026				
(Foreign currency: functional currency)	Foreign currency		Exchange rate	Book value (NTD)
	amount			
	(in thousands)			
<u>Financial Assets</u>				
<u>Monetary items</u>				
EUR:NTD	\$	5,454	36.29	\$ 197,926
USD:NTD		11,783	31.85	375,289
AUD:NTD		6,409	21.90	140,357
RMB:NTD		970	4.69	4,549
<u>Financial Liabilities</u>				
<u>Monetary items</u>				
EUR:NTD	\$	11,885	36.29	\$ 431,307
USD:NTD		1,710	31.85	54,464
RMB:NTD		3,626	4.69	17,006
December 31, 2025				
(Foreign currency: functional currency)	Foreign currency		Exchange rate	Book value (NTD)
	amount			
	(in thousands)			
<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
June 30, 2025				
(Foreign currency: functional currency)	Foreign currency		Exchange rate	Book value (NTD)
	amount			
	(in thousands)			
<u>Financial Assets</u>				
<u>Monetary items</u>				
EUR:NTD	\$	6,569	34.35	\$ 225,645
USD:NTD		8,181	29.30	239,703
AUD:NTD		4,236	19.14	81,077
RMB:NTD		2,383	4.09	9,749
<u>Financial Liabilities</u>				
<u>Monetary items</u>				
EUR:NTD	\$	4,026	34.35	\$ 138,293
USD:NTD		1,074	29.30	31,468
RMB:NTD		1,200	4.09	4,909
<u>Other non-current liabilities (credit balance of investments accounted for using equity method)</u>				
RMB:NTD	\$	1,648	4.09	\$ 6,741

- 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 three months and six months ended June 30, 2026 and 2025 amounted to (\$296), (\$56,990), \$7,474 and (\$45,224), respectively.
- vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Six months ended June 30, 2026			
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%	\$ 1,979	\$ -
USD:NTD	1%	3,753	-
AUD:NTD	1%	1,404	-
RMB:NTD	1%	45	-
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
EUR:NTD	1%	\$ 4,313	\$ -
USD:NTD	1%	545	-
RMB:NTD	1%	170	-

Six months ended June 30, 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%	\$ 2,256	\$ -
USD:NTD	1%	2,397	-
AUD:NTD	1%	811	-
RMB:NTD	1%	97	-
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
EUR:NTD	1%	\$ 1,383	\$ -
USD:NTD	1%	315	-
RMB:NTD	1%	49	-

(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 June 30, 2026 and 2025, the Group's Euro-denominated borrowings bear variable rate.

- 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 six months ended June 30, 2026 and 2025 would have increased/decreased by \$206 and \$60, 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 June 30, 2026, December 31, 2025 and June 30, 2025, the provision matrix is as follows:

(i) General customer

<u>At June 30, 2026</u>	<u>Not past due</u>	<u>Up to 60 days past due</u>	<u>61 to 120 days past due</u>	<u>121 to 180 days past due</u>	<u>Over 181 days past due</u>	<u>Total</u>
<u>Group 1</u>						
Expected loss rate	0.81%~1.07%	5.48%~52.46%	25.30%~91.68%	-	100%	
Total book value	\$ 161,606	\$ 13,584	\$ 1,814	\$ -	\$ -	\$ 177,004
Loss allowance	\$ 1,398	\$ 1,797	\$ 1,663	\$ -	\$ -	\$ 4,858
	<u>Not past due</u>	<u>Up to 60 days past due</u>	<u>61 to 120 days past due</u>	<u>121 to 180 days past due</u>	<u>Over 181 days past due</u>	<u>Total</u>
<u>Group 2</u>						
Expected loss rate	4.67%	17.84%	44.64%	51.12%	100%	
Total book value	\$ 55,895	\$ 31,185	\$ 39,748	\$ 802	\$ 143	\$ 127,773
Loss allowance	\$ 2,608	\$ 5,562	\$ 17,742	\$ 410	\$ 143	\$ 26,465
	<u>Not past due</u>	<u>Up to 60 days past due</u>	<u>61 to 120 days past due</u>	<u>121 to 180 days past due</u>	<u>Over 181 days past due</u>	<u>Total</u>
<u>Group 3</u>						
Expected loss rate	0.08%	5.55%	1.66%	-	100%	
Total book value	\$ 311,266	\$ 955	\$ 241	\$ -	\$ -	\$ 312,462
Loss allowance	\$ 247	\$ 53	\$ 4	\$ -	\$ -	\$ 304
<u>At December 31, 2025</u>	<u>Not past due</u>	<u>Up to 60 days past due</u>	<u>61 to 120 days past due</u>	<u>121 to 180 days past due</u>	<u>Over 181 days past due</u>	<u>Total</u>
<u>Group 1</u>						
Expected loss rate	0.75%~1.09%	5.71%~50.21%	26.57%~91.31%	-	100%	
Total book value	\$ 50,478	\$ 4,507	\$ 7	\$ -	\$ -	\$ 54,992
Loss allowance	\$ 493	\$ 285	\$ 7	\$ -	\$ -	\$ 785
	<u>Not past due</u>	<u>Up to 60 days past due</u>	<u>61 to 120 days past due</u>	<u>121 to 180 days past due</u>	<u>Over 181 days past due</u>	<u>Total</u>
<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 June 30, 2025</u>	<u>Not past due</u>	<u>Up to 60 days past due</u>	<u>61 to 120 days past due</u>	<u>121 to 180 days past due</u>	<u>Over 181 days past due</u>	<u>Total</u>
<u>Group 1</u>						
Expected loss rate	0.46%~1.09%	4.8%~39.66%	26.67%~83.05%	45.77%~91.15%	100%	
Total book value	\$ 69,424	\$ 18,280	\$ 738	\$ 3,121	\$ 1,096	\$ 92,659
Loss allowance	\$ 417	\$ 1,165	\$ 613	\$ 1,524	\$ 1,096	\$ 4,815
	<u>Not past due</u>	<u>Up to 60 days past due</u>	<u>61 to 120 days past due</u>	<u>121 to 180 days past due</u>	<u>Over 181 days past due</u>	<u>Total</u>
<u>Group 2</u>						
Expected loss rate	0.13%	5.00%	-	-	100%	
Total book value	\$ 219,616	\$ 4,397	\$ -	\$ -	\$ 18	\$ 224,031
Loss allowance	\$ 293	\$ 220	\$ -	\$ -	\$ 18	\$ 531

Note: In consideration of risk characteristics of customers across different geographic regions, the Group further disaggregate uninsured customers (previously classified under Group 2) by geographic region starting from the second quarter of 2026. The customer types 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 and the customers are registered in Mainland China.

Group 3: The credit risk of customers has not been insured by professional insurance companies and the customers are not registered in Mainland China.

Considering that the accounts receivable are insured, the Group did not recognise the impairment loss amounting to \$4,270, \$707 and \$4,331 on June 30, 2026, December 31, 2025 and June 30, 2025, respectively.

(ii) Individually assessed customer (There has been an objective evidence of impairment)
(As of December 31, 2025 and June 30, 2025: Nil)

	June 30, 2026
Expected loss rate	100%
Total book value	\$ 22,535
Loss allowance	22,535

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:

	2026		
	Receivables from non-related parties		
	Group assessment	Individual assessment	Total
At January 1	\$ 6,540	\$ -	\$ 6,540
Provision for impairment	20,829	22,535	43,364
Write-offs	(7)	-	(7)
Effect of exchange rate changes	(5)	-	(5)
At June 30	<u>\$ 27,357</u>	<u>\$ 22,535</u>	<u>\$ 49,892</u>

	2025		
	Receivables from non-related parties	Receivables from related parties	
	Group assessment	Group assessment	Total
At January 1	\$ 2,094	\$ 16	\$ 2,110
(Reversal of impairment loss) provision for impairment	(1,074)	575	(499)
Effect of exchange rate changes	(5)	-	(5)
At June 30	<u>\$ 1,015</u>	<u>\$ 591</u>	<u>\$ 1,606</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>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Floating rate:			
Expiring within one year	<u>\$ 1,613,601</u>	<u>\$ 1,916,930</u>	<u>\$ 1,919,269</u>

- 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:

June 30, 2026

<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 borrowings	\$ 207,996	\$ -	\$ -	\$ -
Lease liabilities	20,551	11,033	18,490	-

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 borrowings	\$ 45,833	\$ -	\$ -	\$ -
Lease liabilities	28,987	11,320	22,465	-

June 30, 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 borrowings	\$ 60,778	\$ -	\$ -	\$ -
Lease liabilities	25,650	12,375	5,824	-

- 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. The fair value of the Group's investment in convertible corporate bonds and equity investment without active market are included in Level 3.

- 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:

June 30, 2026	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Forward exchange contracts	\$ -	\$ 1,535	\$ -	\$ 1,535
Financial assets at fair value through comprehensive income				
Unlisted stocks	-	-	21,199	21,999
	<u>\$ -</u>	<u>\$ 1,535</u>	<u>\$ 21,199</u>	<u>\$ 23,534</u>
December 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through comprehensive income				
Unlisted stocks	\$ -	\$ -	\$ 4,316	\$ 4,316
December 31, 2025	Level 1	Level 2	Level 3	Total
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Forward exchange contracts	\$ -	(\$ 2,656)	\$ -	(\$ 2,656)

June 30, 2025	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Forward exchange contracts	\$ -	\$ 1,323	\$ -	\$ 1,323

- 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, forward exchange 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 six months ended June 30, 2026 and 2025.
- G. The following table sets out the movements in Level 3 equity instruments for the six months ended June 30, 2026 (For the six months ended June 30, 2025: Nil):

	2026
At January 1	\$ 4,316
Gains and losses recognised in other comprehensive income	
Recorded as unrealised gains on valuation of investments in equity instruments measured at fair value through other comprehensive income	16,696
Effect of exchange rate changes	187
At June 30	\$ 21,199

- 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 (As of June 30, 2025: Nil):

	Fair value at June 30, 2026	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted stocks	\$ 21,199	Market comparable companies	Price to book ratio multiple, discount for lack of marketability	32.20%	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value.
	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted stocks	\$ 4,316	Market comparable companies	Price to book ratio multiple, discount for lack of marketability	32.20%	The higher the multiple, 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:

		June 30, 2026	
		Recognised in other comprehensive income	
	Input	Change	
		Favourable change	Unfavourable change
Financial assets	Liquidity	±5%	
Equity instrument		\$ 1,060	\$ 1,060

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

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: None.
- B. Provision of endorsements and guarantees to others: Please refer to table 1.
- C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 2.
- D. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 3.
- E. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 4.
- F. Significant inter-company transactions during the reporting period: Please refer to table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 6.

(3) Information on investments in Mainland China

Basic information: Please refer to table 7.

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 arises 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:

	Six months ended June 30, 2026		
	Solar energy	Semiconductor	Total
External segment revenues	\$ 799,255	\$ 944,757	\$ 1,744,012
Internal segment revenues	-	-	-
Segment revenues	\$ 799,255	\$ 944,757	\$ 1,744,012
Segment freight and charges for exports	\$ 92,102	\$ 7,722	\$ 99,824
Segment net (loss) income	(\$ 65,303)	\$ 301,056	\$ 235,753

	Six months ended June 30, 2025		
	Solar energy	Semiconductor	Total
External segment revenues	\$ 632,555	\$ 612,253	\$ 1,244,808
Internal segment revenues	-	-	-
Segment revenues	\$ 632,555	\$ 612,253	\$ 1,244,808
Segment freight and charges for exports	\$ 66,686	\$ 5,086	\$ 71,772
Segment net (loss) income	(\$ 127,974)	\$ 195,944	\$ 67,970

(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.

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Six months ended June 30, 2026

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed												Footnote
		Company name	Relationship with the endorser/guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of June 30, 2026 (Note 4)	Outstanding endorsement/ guarantee amount at June 30, 2026	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	
0	The Company	Superior Energy Co., Ltd.	(1)	\$ 1,763,830	\$ 60,000	\$ 60,000	\$ -	\$ -	3.40%	\$ 3,527,660	N	N	N	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1) The Company is '0'.

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

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.

(4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

(5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.

(6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: Limit on endorsements/guarantees provided for a single party is 100% of the Company's net asset, and ceiling on total amount of endorsements/guarantees provided is 200% of the Company's net asset.

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Once endorsement/guarantee contracts or promissory notes are signed/issued by the endorser/guarantor company to the banks, the endorser/guarantor company bears endorsement/guarantee liabilities. And all other events involve endorsements and guarantees should be included in the balance of outstanding endorsements and guarantees.

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)
Six months ended June 30, 2026

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Holding company	Marketable securities	Relationship with the securities issuer	Account title	At period-end					Footnote
				Units (in thousands)/	Book value	Ownership (%)	Fair value		
				Number of shares (share in thousands)					
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, non-current	NA	\$ 21,199	40%	\$ 21,199		

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

Six months ended June 30, 2026

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction			Differences in transaction terms			Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
The Company	WINAICO Deutschland GmbH	The Company's subsidiary	Sales	(\$ 459,231)	(27%)	Note	Note	Note	\$ 152,919	20%	
"	WINAICO Australia PTY Ltd.	"	Sales	(161,646)	(10%)	Note	Note	Note	183,542	24%	

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
Receivables from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
Six months ended June 30, 2026

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance at June 30, 2026	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet day	Allowance for doubtful accounts
					Amount	Action taken		
The Company	WINAICO Deutschland GmbH	The Company's subsidiary	\$ 152,919	8.23 times	\$ -	-	\$ 41,942	\$ -
"	WINAICO Australia PTY Ltd.	"	183,542	2.32 times	-	-	5,655	-

Note: Collection data as of July 30, 2026.

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Significant inter-company transactions during the reporting period

Six months ended June 30, 2026

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	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	\$ 459,231	Note 5	26.33%
0	"	"	(1)	Accounts receivable	152,919	Note 5	5.46%
0	"	WINAICO Austalia PTY Ltd.	(1)	Sales revenues	161,646	Note 6	9.27%
0	"	"	(1)	Accounts receivable	183,542	Note 6	6.55%

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 NT\$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.

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Information on investees

Six months ended June 30, 2026

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2026			Net profit (loss)		Investment income (loss) recognised by the Company for the six months ended June 30, 2026	Footnote
				Balance as of June 30, 2026	Balance as of December 31, 2025	Number of shares	Ownership (%)	Book value	of the investee for the six months ended June 30, 2026			
The Company	WIN WIN Delaware Precision Technology Co, Ltd.	USA	Sales of solar photovoltaic modules	\$ 39,457	\$ 39,457	300,000	100%	\$ 20,941	(\$ 168)	(\$ 168)		
"	WINAICO Australia PTY Ltd.	Australia	Sales of solar photovoltaic modules	33,869	33,869	1,600,000	100%	4,662	8,388	8,388		
"	WINAICO Japan K.K.	Japan	Sales of solar photovoltaic modules	11,999	10,994	4,500	100%	856	(132)	(132)		
"	WINAICO Solar Projekt 1 GmbH	Germany	Operation of solar power plant	46,927	46,927	2,240,000	100%	454	(12)	(12)		
"	Win Win Green Energy Co.,Ltd.	Taiwan	Service of energy management consulting	11,000	1,000	1,100,000	100%	10,991	(50)	(50)		
"	WINAICO Deutschland GmbH	Germany	Sales of solar photovoltaic modules	203,203	203,203	1	100%	16,222	22,132	22,132		

WIN WIN PRECISION TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Information on investments in Mainland China

Six months ended June 30, 2026

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

			Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the six months ended June 30, 2026										Footnote
Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2026	Remitted to Mainland China	Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2026	Net income of investee for the six months ended June 30, 2026	Ownership held by the Company (direct or indirect) (%)	Investment income (loss) recognised by the Company for the six months ended June 30, 2026 (Note 2)	Book value of investments in Mainland China as of June 30, 2026	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2026	
Win Win Precision Technology Nanjing Co, Ltd.	Provision of services and investment activities	\$ 9,060	(1)	\$ 9,060	\$ -	\$ -	\$ 9,060	\$ 876	100%	\$ 876	\$ 36,820	\$ -	

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2026	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	\$ 1,058,298

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 six months ended June 30, 2026 was based on the financial statements that were not reviewed by parent company's independent auditor.