

# **Nichidenbo Corporation**

**Parent Company Only Financial Statements for the  
Years Ended December 31, 2025 and 2024 and  
Independent Auditors' Report**

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
Nichidenbo Corporation

### Opinion

We have audited the accompanying parent company only financial statements of Nichidenbo Corporation (the "Company"), which comprise the parent company only balance sheets as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

In our opinion, based on our audits and the report of other auditors (please refer to the Other Matter paragraph), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the parent company only financial statements for the year ended December 31, 2025 is as follows:

#### Valuation of Inventories

Inventories are stated at the lower of cost or net realizable value. The net realizable value was based on significant judgments and accounting estimates made by management; therefore, we identified the valuation of inventories as a key audit matter in our audit for the year ended December 31, 2025.

The main audit procedures that we performed in respect of the valuation of inventories included obtaining the estimated data of inventories stated at the lower of cost or net realizable value by management and sampling recent sales data to evaluate the reasonableness of the net realizable value.

#### **Other Matter - Reference to the audits of other auditors**

The financial statements of Concord Advanced Technology Co., Ltd., an investee company held through the Company and accounted for using the equity method, for the years 2025 and 2024, were audited by other auditors. Therefore, our opinion, insofar as it relates to the amounts included for the investee in the parent company only financial statements, is based solely on the reports of the other auditors. The aforementioned investment accounted for using the equity method constituted \$487,650 thousand and \$488,647 thousand, representing 3.17% and 6.51% of the Company's total assets as of December 31, 2025 and 2024, respectively. The Company's share of comprehensive income from the aforementioned investments accounted for using the equity method amounted to \$47,254 thousand and \$38,396 thousand for the years ended December 31, 2025 and 2024, which accounted for 3.66% and 3.59% of the Company's comprehensive income, respectively.

#### **Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements**

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## **Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements**

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chih-Ming Shao and Ya-Ling Wong.

Chih-Ming, Shao      Ya-Ling Wong

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 2, 2026

Notice to Readers

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

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

# NICHIDENBO CORPORATION

## PARENT COMPANY ONLY BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Note 6)	\$ 746,383	5	\$ 210,712	3
Financial assets at fair value through other comprehensive income - current (Note 7)	-	-	1,210,000	16
Notes receivables, net (Note 10)	5,462	-	4,335	-
Trade receivables from unrelated parties, net (Notes 10 and 23)	947,062	6	607,586	8
Trade receivables from related parties (Notes 23 and 31)	44,951	-	69,553	1
Other receivables (Note 10)	10,817	-	7,196	-
Other receivables from related parties (Note 31)	8,208	-	413,315	6
Inventories (Note 11)	374,870	3	317,495	4
Other current assets (Notes 17 and 31)	1,572	-	1,255	-
Total current assets	<u>2,139,325</u>	<u>14</u>	<u>2,841,447</u>	<u>38</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through other comprehensive income - non-current (Note 7)	8,004,636	52	-	-
Financial assets at amortized cost - non-current (Notes 8, 9 and 32)	3,522	-	150	-
Investments accounted for using the equity method (Note 12)	4,680,296	31	4,315,277	58
Property, plant and equipment (Notes 13 and 32)	181,282	1	179,795	2
Right-of-use assets (Note 14)	168,205	1	-	-
Investment properties (Notes 15 and 32)	173,566	1	153,619	2
Intangible assets (Note 16)	1,512	-	1,025	-
Deferred tax assets (Note 25)	10,197	-	8,987	-
Prepayments for equipment	908	-	-	-
Refundable deposits (Note 31)	5,119	-	906	-
Total non-current assets	<u>13,229,243</u>	<u>86</u>	<u>4,659,759</u>	<u>62</u>
<b>TOTAL</b>	<u>\$ 15,368,568</u>	<u>100</u>	<u>\$ 7,501,206</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 18)	\$ 531,280	3	\$ 334,065	5
Contract liabilities - current (Note 23)	299	-	164	-
Trade payables to unrelated parties (Note 19)	298,360	2	239,108	3
Trade payables to related parties (Note 31)	93,802	1	57,257	1
Other payables to unrelated parties (Note 20)	333,506	2	163,443	2
Other payables to related parties (Note 31)	93	-	249	-
Current tax liabilities (Note 25)	22,059	-	11,697	-
Lease liabilities - current (Note 14)	14,307	-	-	-
Other current liabilities (Notes 20 and 31)	7,401	-	2,899	-
Total current liabilities	<u>1,301,107</u>	<u>8</u>	<u>808,882</u>	<u>11</u>
<b>NON-CURRENT LIABILITIES</b>				
Deferred tax liabilities (Note 25)	79,667	1	67,943	1
Lease liabilities - non-current (Note 14)	154,767	1	-	-
Net defined benefit liability - non-current (Note 21)	16,474	-	17,907	-
Guarantee deposits received (Note 31)	1,559	-	1,250	-
Total non-current liabilities	<u>252,467</u>	<u>2</u>	<u>87,100</u>	<u>1</u>
Total liabilities	<u>1,553,574</u>	<u>10</u>	<u>895,982</u>	<u>12</u>
<b>EQUITY</b>				
Ordinary shares	2,875,672	19	2,125,972	28
Capital surplus	7,777,226	51	1,627,745	22
Retained earnings				
Legal reserve	1,121,552	7	1,008,101	13
Special reserve	71,064	-	10,950	-
Unappropriated earnings	2,102,752	14	1,917,162	26
Total retained earnings	3,295,368	21	2,936,213	39
Other equity	(133,272)	(1)	(84,706)	(1)
Total equity	<u>13,814,994</u>	<u>90</u>	<u>6,605,224</u>	<u>88</u>
<b>TOTAL</b>	<u>\$ 15,368,568</u>	<u>100</u>	<u>\$ 7,501,206</u>	<u>100</u>

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 2, 2026)

# NICHIDENBO CORPORATION

## PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 23 and 31)	\$ 2,679,305	100	\$ 1,751,070	100
OPERATING COSTS (Notes 11 and 31)	<u>2,183,361</u>	<u>82</u>	<u>1,389,611</u>	<u>79</u>
GROSS PROFIT	495,944	18	361,459	21
UNREALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	-	-	431	-
REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	<u>348</u>	<u>-</u>	<u>-</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>496,292</u>	<u>18</u>	<u>361,028</u>	<u>21</u>
OPERATING EXPENSES (Notes 24 and 31)				
Selling and marketing expenses	196,835	7	119,755	7
General and administrative expenses	160,207	6	140,079	8
Expected credit loss	<u>1,699</u>	<u>-</u>	<u>788</u>	<u>-</u>
Total operating expenses	<u>358,741</u>	<u>13</u>	<u>260,622</u>	<u>15</u>
PROFIT FROM OPERATIONS	<u>137,551</u>	<u>5</u>	<u>100,406</u>	<u>6</u>
NON-OPERATING INCOME AND EXPENSES (Notes 24 and 31)				
Interest income	11,522	-	22,869	1
Other income	176,999	7	86,300	5
Other gains and losses	(6,299)	-	11,749	1
Finance costs	(20,900)	(1)	(9,817)	(1)
Share of profit of subsidiaries and associates	<u>1,013,716</u>	<u>38</u>	<u>789,911</u>	<u>45</u>
Total non-operating income and expenses	<u>1,175,038</u>	<u>44</u>	<u>901,012</u>	<u>51</u>
PROFIT BEFORE INCOME TAX	1,312,589	49	1,001,418	57
INCOME TAX EXPENSE (Note 25)	<u>59,919</u>	<u>2</u>	<u>54,620</u>	<u>3</u>
NET PROFIT FOR THE YEAR	<u>1,252,670</u>	<u>47</u>	<u>946,798</u>	<u>54</u>

(Continued)

# NICHIDENBO CORPORATION

## PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (Notes 21, 22 and 25)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ (1,537)	-	\$ 2,098	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	12,432	-	118,382	7
Share of other comprehensive income (loss) of subsidiaries accounted for using the equity method	22,708	1	(18,823)	(1)
Income tax related to items that will not be reclassified subsequently to profit or loss	<u>307</u>	<u>-</u>	<u>(419)</u>	<u>-</u>
	<u>33,910</u>	<u>1</u>	<u>101,238</u>	<u>6</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	577	-	4,637	-
Share of other comprehensive income of subsidiaries accounted for using the equity method	<u>3,030</u>	<u>-</u>	<u>16,042</u>	<u>1</u>
	<u>3,607</u>	<u>-</u>	<u>20,679</u>	<u>1</u>
Other comprehensive income for the year, net of income tax	<u>37,517</u>	<u>1</u>	<u>121,917</u>	<u>7</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,290,187</u>	<u>48</u>	<u>\$ 1,068,715</u>	<u>61</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 5.48</u>		<u>\$ 4.52</u>	
Diluted	<u>\$ 5.41</u>		<u>\$ 4.46</u>	

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 2, 2026)

(Concluded)

**NICHIDENBO CORPORATION**

**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024  
(In Thousands of New Taiwan Dollars)**

			Retained Earnings (Notes 22 and 27)			Other Equity (Notes 22 and 27)			Total Equity
	Ordinary Shares (Notes 22 and 27)	Capital Surplus (Notes 22 and 27)	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Unearned Employee Benefit	
BALANCE AT JANUARY 1, 2024	\$ 2,126,572	\$ 1,625,096	\$ 935,029	\$ 51,875	\$ 1,537,832	\$ (41,401)	\$ 36,018	\$ (36,975)	\$ 6,234,046
Appropriation of 2023 earnings									
Legal reserve	-	-	73,072	-	(73,072)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(723,034)	-	-	-	(723,034)
Total	-	-	73,072	-	(796,106)	-	-	-	(723,034)
Reversal of special reserve	-	-	-	(40,925)	40,925	-	-	-	-
Other changes in capital surplus	-	195	-	-	-	-	-	-	195
Net profit for the year ended December 31, 2024	-	-	-	-	946,798	-	-	-	946,798
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	3,560	20,679	97,678	-	121,917
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	950,358	20,679	97,678	-	1,068,715
Share-based payment arrangements	(600)	2,454	-	-	115	-	-	23,333	25,302
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	184,038	-	(184,038)	-	-
BALANCE AT DECEMBER 31, 2024	2,125,972	1,627,745	1,008,101	10,950	1,917,162	(20,722)	(50,342)	(13,642)	6,605,224
Appropriation of 2024 earnings									
Legal reserve	-	-	113,451	-	(113,451)	-	-	-	-
Special reserve	-	-	-	60,114	(60,114)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(892,908)	-	-	-	(892,908)
Total	-	-	113,451	60,114	(1,066,473)	-	-	-	(892,908)
Other changes in capital surplus	-	847	-	-	-	-	-	-	847
Net profit for the year ended December 31, 2025	-	-	-	-	1,252,670	-	-	-	1,252,670
Other comprehensive (loss) income for the year ended December 31, 2025, net of income tax	-	-	-	-	(699)	3,607	34,609	-	37,517
Total comprehensive income for the year ended December 31, 2025	-	-	-	-	1,251,971	3,607	34,609	-	1,290,187
Issuance of ordinary shares for share exchange	710,000	6,072,204	-	-	-	-	-	-	6,782,204
Issuance of ordinary shares under employee restricted shares	39,700	76,144	-	-	-	-	-	(115,844)	-
Share-based payment arrangements	-	286	-	-	92	-	-	29,062	29,440
BALANCE AT DECEMBER 31, 2025	\$ 2,875,672	\$ 7,777,226	\$ 1,121,552	\$ 71,064	\$ 2,102,752	\$ (17,115)	\$ (15,733)	\$ (100,424)	\$ 13,814,994

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 2, 2026)

# NICHIDENBO CORPORATION

## PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 1,312,589	\$ 1,001,418
Adjustments for:		
Depreciation expense	14,703	4,615
Amortization expense	763	601
Expected credit loss	1,699	788
Finance costs	20,900	9,817
Interest income	(11,522)	(22,869)
Dividend income	(65,978)	(2,429)
Share-based payment	16,022	18,752
Share of profit of subsidiaries and associates	(1,013,716)	(789,911)
Gain on disposal of property, plant and equipment	(602)	-
Loss (gain) on net realizable value of inventories	913	(9,134)
Unrealized gain on transactions	-	431
Realized gain on transactions	(348)	-
Other items	92	115
Changes in operating assets and liabilities		
Notes receivables	(1,127)	(846)
Trade receivables from unrelated parties	(341,175)	(153,782)
Trade receivables from related parties	24,602	(28,439)
Other receivables from unrelated parties	(2,892)	(4,124)
Other receivables from related parties	(617)	(133)
Inventories	(58,288)	(70,398)
Prepayments	(526)	(215)
Other current assets	209	69
Contract liabilities	135	(20)
Trade payables to unrelated parties	59,252	123,186
Trade payables to related parties	36,545	26,419
Other payables to unrelated parties	46,798	13,866
Other payables to related parties	(156)	44
Other current liabilities	4,502	547
Net defined benefit liabilities	(2,970)	(2,160)
Cash generated from operating activities	39,807	116,208
Interest received	11,517	25,181
Interest paid	(18,775)	(10,502)
Income tax paid	(38,736)	(69,174)
Net cash (used in) generated from operating activities	<u>(6,187)</u>	<u>61,713</u>

(Continued)

# NICHIDENBO CORPORATION

## PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	\$ -	\$ (1,196,187)
Proceeds from sale of financial assets at fair value through other comprehensive income	-	11,885
Purchase of financial assets at amortized cost	(6,744)	(530,880)
Proceeds from sale of financial assets at amortized cost	3,372	1,035,880
Acquisition of investments accounted for using equity method	-	(282,355)
Payments for property, plant and equipment	(26,175)	(1,152)
Proceeds from disposal of property, plant and equipment	1,734	-
Increase in refundable deposits	(4,213)	(80)
Other receivables from related parties - increase in financing of funds	(150,000)	(595,000)
Other receivables from related parties - decrease in financing of funds	555,000	540,000
Payments for intangible assets	(1,250)	(1,089)
Payments for investment properties	(908)	-
Dividends received	<u>755,021</u>	<u>506,830</u>
Net cash generated from (used in) investing activities	<u>1,125,837</u>	<u>(512,148)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	2,009,790	1,055,614
Repayments of short-term borrowings	(1,812,575)	(931,359)
Guarantee deposits received	309	141
Repayment of the principal portion of lease liabilities	(10,225)	-
Cash dividends paid	(892,908)	(723,034)
Issuance of ordinary shares under employee restricted shares	121,284	-
Refund of issuance of restricted shares for employees	-	(1,316)
Dividends from claims extinguished by prescription	<u>346</u>	<u>-</u>
Net cash used in financing activities	<u>(583,979)</u>	<u>(599,954)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>535,671</b>	<b>(1,050,389)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b><u>210,712</u></b>	<b><u>1,261,101</u></b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b><u>\$ 746,383</u></b>	<b><u>\$ 210,712</u></b>

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 2, 2026)

(Concluded)

# NICHIDENBO CORPORATION

## NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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### 1. GENERAL INFORMATION

Nichidenbo Corporation (the “Company”) was established on January 4, 1993 in New Taipei City. The Company engages mainly in sales and marketing of electronic components.

On December 31, 2007, the Company’s shares were listed on the Taiwan Stock Exchange (TWSE).

The parent company only financial statements are presented in the Company’s functional currency, the New Taiwan dollar.

### 2. APPROVAL OF PARENT COMPANY ONLY FINANCIAL STATEMENTS

The parent company only financial statements were approved by the Company’s board of directors on March 2, 2026.

### 3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

#### Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” did not have a material impact on the Company’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</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
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

As of the date the parent company only financial statements were authorized for issue, the Company assessed that the application of the above amendments to standards and interpretations will not have a material impact on the Company’s parent company only financial position and parent company only financial performance.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- 1) To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Company shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- 2) The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss
- 3) Provides guidance to enhance the requirements of aggregation and disaggregation: The Company shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as “other” only if it cannot find a more informative label.
- 4) Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Company as a whole, the Company shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Company shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.

- Interest and dividends received by the Company shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Company has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

Except for the above impact, as of the date the parent company only financial statements were authorized for issue, the Company is continuously assessing the other impacts of the above amended standards and interpretations on the Company's parent company only financial position and parent company only financial performance and will disclose the relevant impact when the assessment is completed.

#### **4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION**

##### **a. Statement of compliance**

The parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

##### **b. Basis of preparation**

The parent company only financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

When preparing these parent company only financial statements, the Company used equity method to account for its investment in subsidiaries and associates. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same with the amounts attributable to the owner of the Company in its accompanying consolidated financial statements, adjustments arising from the differences in accounting treatment between parent company only basis and accompanying basis were made to investments accounted for using the equity method, share of profit or loss of subsidiaries and associates, share of other comprehensive income of subsidiaries and associates and related equity items, as appropriate, in the parent company only financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and
- 3) Liabilities for which the Company does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Foreign currencies

In preparing the parent company only financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss.

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

e. Inventories

Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to Company similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

f. Investments in subsidiaries

The Company uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity (including a structured entity) that is controlled by the Company.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary. The Company also recognizes the changes in the Company's share of equity of subsidiaries attributable to the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are accounted for as equity transactions. The Company recognizes directly in equity any difference between the carrying amount of the investment and the fair value of the consideration paid or received.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business over the cost of acquisition is recognized immediately in profit or loss.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee's financial statements as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Company loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of the previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides this, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Company directly disposed of the related assets or liabilities.

Profit or loss resulting from downstream transactions is eliminated in full only in the parent company only financial statements. Profit and loss resulting from upstream transactions and transactions between subsidiaries is recognized only in the parent company only financial statements and only to the extent of interests in the subsidiaries that are not related to the Company.

g. Investments in associates

An associate is an entity over which the Company has significant influence and which is neither a subsidiary nor an interest in a joint venture.

The Company uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate. The Company also recognizes the changes in the Company's share of the equity of associates attributable to the Company.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the company subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Company's proportionate interest in the associate. The Company records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates accounted for using the equity method, and the investment accounted for under the equity method. If the Company's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Company's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further loss, if any. Additional losses and liabilities are recognized only to the extent that the Company has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Company discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Company accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required had that associate directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Company continues to apply the equity method and does not remeasure the retained interest.

When the Company transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Company's parent company only financial statements only to the extent of interests in the associate that are not related to the Company.

#### h. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss.

The depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Depreciation of investment properties is recognized using the straight-line method.

For a transfer of classification from property, plant and equipment to investment properties, the deemed cost of an item of property for subsequent accounting is its carrying amount at the end of owner-occupation.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

2) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

k. Impairment of property, plant and equipment, investment property and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, investment property and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

## 1. Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

### 1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

#### a) Measurement categories

Financial assets are classified into the following categories: Financial assets at amortized cost and investments in equity instruments at FVTOCI.

##### i. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

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

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables, other receivables, refundable deposits and restricted cash are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated applying the effective interest rate to the gross carrying amount of such a financial asset.

Cash equivalents include time deposits and commercial paper with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

##### ii. Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables) at each balance sheet date.

The Company always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

3) Financial liabilities

a) Subsequent measurement

All the financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

m. Revenue recognition

The Company identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

For contracts where the period between the date on which the Company transfers a promised good or service to a customer and the date on which the customer pays for that good or service is one year or less, the Company does not adjust the promised amount of consideration for the effects of a significant financing component.

Revenue from the sale of goods comes from sales of electronic components. Sales of electronic components are recognized as revenue when the goods are delivered to the customer's specific location and signed by the customer because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables and sales revenue are recognized concurrently.

n. Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

1) The Company as lessor

All leases are classified as operating leases.

Under operating leases, the lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

2) The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption, where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. However, if leases transfer ownership of the underlying assets to the Company by the end of the lease terms or if the costs of right-of-use assets reflect that the Company will exercise a purchase option, the Company depreciates the right-of-use assets from the commencement dates to the end of the useful lives of the underlying assets.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate, residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and payments of penalties for terminating a lease if the lease term reflects such termination, less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. For a lease modification that is not accounted for as a separate lease, the Company accounts for the remeasurement of the lease liability by (a) decreasing the carrying amount of the right-of-use asset of lease modifications that decreased the scope of the lease, and recognizing in profit or loss any gain or loss on the partial or full termination of the lease; (b) making a corresponding adjustment to the right-of-use asset of all other lease modifications. Lease liabilities are presented on a separate line in the parent company only balance sheets.

o. Borrowing costs

All borrowing costs are recognized in profit or loss in the year in which they are incurred.

p. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses, and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities represent the actual deficit in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

q. Share-based payment arrangements

1) Restricted shares for employees granted to employees

The fair value at the grant date of the restricted shares for employees is expensed on a straight-line basis over the vesting period, based on the Company's best estimates of the number of shares that are expected to ultimately vest, with a corresponding increase in capital surplus - other equity - unearned employee benefits. It is recognized as an expense in full at the grant date if vested immediately.

When restricted shares for employees are issued, other equity - unearned employee benefits is recognized on the grant date, with a corresponding increase in capital surplus - restricted shares for employees. If restricted shares for employees are granted for consideration and the considerations received should be returned if employees resign in the vesting period, payables are continuously measured based on its estimated turnover rate for those granted before October 10, 2024 in accordance with the Q&A issued by the FSC. Dividends paid to employees on restricted shares that do not need to be returned if employees resign in the vesting period are recognized as expenses when the dividends are declared with a corresponding adjustment in retained earnings and capital surplus - restricted shares for employees.

At the end of each reporting period, the Company revises its estimate of the number of restricted shares for employees that are expected to vest. The impact of the revision of the original estimates is recognized in profit or loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to capital surplus - restricted shares for employees.

2) Equity-settled share-based payment arrangements granted to the employees of a subsidiary

The grant by the Company of its equity instruments to the employees of a subsidiary under share-based payment arrangements is treated as a capital contribution. The fair value of employee services received under the arrangement is measured by reference to the grant-date fair value and is recognized over the vesting period as an addition to the investment in the subsidiary, with a corresponding credit to other equity - unearned employee benefits.

r. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

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

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### 3) Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

## **5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

### **Key Sources of Estimation Uncertainty**

#### a. Estimated impairment of financial assets

The provision for impairment of notes receivable and trade receivables is based on assumptions on probability of default and loss given default. The Company uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Company's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. For details of the key assumptions and inputs used, see Note 10. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

b. Valuation of inventories

The net realizable value of inventory is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. The estimation of net realizable value is based on current market conditions and historical experience in the sale of product of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

**6. CASH AND CASH EQUIVALENTS**

	<u>December 31</u>	
	<b>2025</b>	<b>2024</b>
Cash on hand	\$ 261	\$ 270
Demand deposits	67,746	25,069
Cash equivalents		
Time deposits	645,376	40,373
Commercial paper	<u>33,000</u>	<u>145,000</u>
	<u>\$ 746,383</u>	<u>\$ 210,712</u>

The market rate intervals of time deposits and commercial paper at the end of the year were as follows:

	<u>December 31</u>	
	<b>2025</b>	<b>2024</b>
Time deposits	0.68%-1.65%	1.40%-1.50%
Commercial paper	1.07%	1.03%-1.04%

**7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOMES**

**Investments in Equity Instruments**

	<u>December 31</u>	
	<b>2025</b>	<b>2024</b>
<u>Current</u>		
Domestic investments		
Listed shares	\$ -	\$ 1,196,187
Unrealized gain on financial assets	<u>-</u>	<u>13,813</u>
	<u>\$ -</u>	<u>\$ 1,210,000</u>
<u>Non-current</u>		
Domestic investments		
Listed shares	\$ 7,978,391	\$ -
Unrealized gain on financial assets	<u>26,245</u>	<u>-</u>
	<u>\$ 8,004,636</u>	<u>\$ -</u>

On March 13, 2024, the board of directors resolved to enter into a contract for the purchase and sale of shares with unrelated parties, to acquire 12,834,314 shares of Concord Advanced Technology Co., Ltd. (Concord Advanced) at a price of \$22 per share, for a total amount of \$282,355 thousand. After the acquisition, the Company’s equity interest in Concord Advanced increased to 20.56%, which represented significant influence, therefore, this acquisition was transferred from financial assets at fair value through other comprehensive income - non-current to investments accounted for using the equity method. The disposal of investments in equity instruments designated as at fair value through other comprehensive income, which amounted to \$180,154 thousand, was recorded as unappropriated earnings.

During 2024, the Company gradually acquired 0.88% of the ordinary shares of WT Microelectronics Co., Ltd., (WT Microelectronics) for a total amount of \$1,196,187 thousand and recorded as financial assets at fair value through other comprehensive income - current. On July 15, 2025, the Company’s Board of Directors resolved to cooperate with WT Microelectronics through share exchange, whereby the Company will issue 71,000 thousand new ordinary shares to acquire 47,428 thousand new ordinary shares issued for capital increase by WT Microelectronics. The record date for the share exchange is October 1, 2025. On September 30, 2025, the Company reclassified its investment in WT Microelectronics to non-current financial assets at fair value through other comprehensive income based on its intention to hold the investment on a long-term basis.

In August 2024, the Company sold all of its ordinary shares holding of Honey Hope Honesty Enterprise Co., Ltd., for \$11,885 thousand, and recognized a gain of \$3,884 thousand on the disposal of investments in equity instruments designated as at fair value through other comprehensive income. This gain was recorded as unappropriated earnings.

The Company holds the domestic listed shares and the domestic unlisted shares for medium to long-term strategic purposes, expecting to make a profit from long-term investment. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments’ fair value in profit or loss would not be consistent with the Company’s strategy of holding these investments for long-term purposes.

**8. FINANCIAL ASSETS AT AMORTIZED COST**

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Non-current</u>		
Pledged time deposits	\$ 3,372	\$ -
Restricted cash	150	150
	<b>\$ 3,522</b>	<b>\$ 150</b>

- a. Refer to Note 9 for information relating to the credit risk management and impairment of investments in financial assets at amortized cost.
- b. Refer to Note 32 for information relating to investments in financial assets at amortized cost pledged as security.

## 9. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Investments in debt instruments are classified as at amortized cost:

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>At amortized cost (current and non-current)</u>		
Gross carrying amount	\$ 3,522	\$ 150
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 3,522</u>	<u>\$ 150</u>

The credit risk of financial instruments such as bank deposits is measured and monitored by the finance department. The Company selects the transaction partners and the performing parties which are all banks with good credit.

## 10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Notes receivable</u>		
At amortized cost		
Gross carrying amount	\$ 5,483	\$ 4,356
Less: Allowance for impairment loss	<u>(21)</u>	<u>(21)</u>
	<u>\$ 5,462</u>	<u>\$ 4,335</u>
Notes receivable - operating	\$ 4,349	\$ 4,276
Notes receivable - non-operating	<u>1,113</u>	<u>59</u>
	<u>\$ 5,462</u>	<u>\$ 4,335</u>
<u>Trade receivables</u>		
At amortized cost		
Gross carrying amount	\$ 951,821	\$ 610,646
Less: Allowance for impairment loss	<u>(4,759)</u>	<u>(3,060)</u>
	<u>\$ 947,062</u>	<u>\$ 607,586</u>
<u>Other receivables</u>		
VAT refundable	\$ 9,988	\$ 7,052
Others	<u>829</u>	<u>144</u>
	<u>\$ 10,817</u>	<u>\$ 7,196</u>

a. Notes receivable

As of December 31, 2025 and 2024, the notes receivable did not expire.

b. Trade receivables

The average credit period on sales of goods is 90 to 150 days. In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the year to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk was significantly reduced.

The Company measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, and profitability. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Company's different customer base.

The Company writes off a trade receivable when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Company's provision matrix.

December 31, 2025

	Not Past Due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 90 Days Past Due	Over 90 Days Past Due	Total
Expected credit loss rate	0.50%	0.50%	0.50%	36.88%	100.00%	
Gross carrying amount	\$ 951,712	\$ 109	\$ -	\$ -	\$ -	\$ 951,821
Loss allowance (Lifetime ECLs)	<u>(4,758)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,759)</u>
Amortized cost	<u>\$ 946,954</u>	<u>\$ 108</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 947,062</u>

December 31, 2024

	Not Past Due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 90 Days Past Due	Over 90 Days Past Due	Total
Expected credit loss rate	0.50%	0.50%	0.50%	24.74%	100.00%	
Gross carrying amount	\$ 610,294	\$ 327	\$ 25	\$ -	\$ -	\$ 610,646
Loss allowance (Lifetime ECLs)	<u>(3,058)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,060)</u>
Amortized cost	<u>\$ 607,236</u>	<u>\$ 325</u>	<u>\$ 25</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 607,586</u>

The movements of the loss allowance of notes receivable and trade receivables were as follows:

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance on January 1	\$ 3,081	\$ 2,293
Add: Remeasurement of loss allowance	<u>1,699</u>	<u>788</u>
Balance on December 31	<u>\$ 4,780</u>	<u>\$ 3,081</u>

## 11. INVENTORIES

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Merchandise	<u>\$ 374,870</u>	<u>\$ 317,495</u>

The nature of the cost of goods sold is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Cost of inventories sold	\$ 2,182,438	\$ 1,398,745
Loss (gain) on net realizable value of inventories	913	(9,134)
Loss on physical inventory	<u>10</u>	<u>-</u>
	<u>\$ 2,183,361</u>	<u>\$ 1,389,611</u>

## 12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Investments in subsidiaries	\$ 4,192,646	\$ 3,826,630
Investments in associates	<u>487,650</u>	<u>488,647</u>
	<u>\$ 4,680,296</u>	<u>\$ 4,315,277</u>

### a. Investments in subsidiaries

<b>Name of Subsidiaries</b>	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Scope Technology Co., Ltd.	\$ 1,336,456	\$ 1,120,485
Lipers Enterprise Co., Ltd.	751,110	704,191
Advance Electronic Supply Inc.	636,117	631,684
Nichidenbo (Mauritius) Ltd.	496,528	462,930
Vic-Dawn Enterprise Co., Ltd.	340,044	332,723
Tonsam Corporation	292,744	288,435
Koho (Taiwan) Co., Ltd.	203,775	171,967
Lipers (Hong Kong) Enterprise Co., Ltd.	<u>135,872</u>	<u>114,215</u>
	<u>\$ 4,192,646</u>	<u>\$ 3,826,630</u>

Name of Subsidiaries	Proportion of Ownership and Voting Rights	
	December 31	
	2025	2024
Scope Technology Co., Ltd.	100.00%	100.00%
Lipers Enterprise Co., Ltd.	99.34%	99.34%
Advance Electronic Supply Inc.	100.00%	100.00%
Nichidenbo (Mauritius) Ltd.	100.00%	100.00%
Vic-Dawn Enterprise Co., Ltd.	95.31%	95.31%
Tonsam Corporation	100.00%	100.00%
Koho (Taiwan) Co., Ltd.	85.00%	85.00%
Lipers (Hong Kong) Enterprise Co., Ltd.	100.00%	100.00%

For the years ended December 31, 2025 and 2024, the share of profit or loss and OCI of subsidiaries was based on the audited financial statements for the years then ended.

b. Investments in associates

	December 31	
	2025	2024
Associate that is not individually material		
Concord advanced	<u>\$ 487,650</u>	<u>\$ 488,647</u>

Aggregate information of associates that are not individually material

	For the Year Ended December 31	
	2025	2024
The Company's share of:		
Profit for the year	\$ 47,254	\$ 38,396
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>\$ 47,254</u>	<u>\$ 38,396</u>

On March 13, 2024, the board of directors resolved to enter into a contract for the purchase and sale of shares with unrelated parties, to acquire 12,834,314 shares of Concord Advanced at a price of \$22 per share, for a total amount of \$282,355 thousand. After the acquisition, the Company's equity interest in Concord Advanced increased to 20.56%, representing significant influence, therefore, this acquisition was transferred from financial assets at fair value through other comprehensive income - non-current to investments accounted for using the equity method.

The above investments accounted for using the equity method and the share of profit or loss by the Company were calculated based on audited financial statements.

### 13. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Other Equipment	Total
<u>Cost</u>				
Balance on January 1, 2025	\$ 163,257	\$ 17,418	\$ 11,391	\$ 192,066
Additions	-	-	26,175	26,175
Disposals/derecognition	-	-	(6,918)	(6,918)
Reclassification	<u>(19,322)</u>	<u>(1,942)</u>	<u>-</u>	<u>(21,264)</u>
Balance on December 31, 2025	<u>\$ 143,935</u>	<u>\$ 15,476</u>	<u>\$ 30,648</u>	<u>\$ 190,059</u>
<u>Accumulated depreciation</u>				
Balance on January 1, 2025	\$ -	\$ 5,724	\$ 6,547	\$ 12,271
Depreciation expense	-	323	2,607	2,930
Disposals/derecognition	-	-	(5,786)	(5,786)
Reclassification	<u>-</u>	<u>(638)</u>	<u>-</u>	<u>(638)</u>
Balance on December 31, 2025	<u>\$ -</u>	<u>\$ 5,409</u>	<u>\$ 3,368</u>	<u>\$ 8,777</u>
Carrying amount on December 31, 2025	<u>\$ 143,935</u>	<u>\$ 10,067</u>	<u>\$ 27,280</u>	<u>\$ 181,282</u>
<u>Cost</u>				
Balance on January 1, 2024	\$ 163,257	\$ 17,418	\$ 17,243	\$ 197,918
Additions	-	-	1,152	1,152
Disposals/derecognition	<u>-</u>	<u>-</u>	<u>(7,004)</u>	<u>(7,004)</u>
Balance on December 31, 2024	<u>\$ 163,257</u>	<u>\$ 17,418</u>	<u>\$ 11,391</u>	<u>\$ 192,066</u>
<u>Accumulated depreciation</u>				
Balance on January 1, 2024	\$ -	\$ 5,392	\$ 9,938	\$ 15,330
Depreciation expense	-	332	3,613	3,945
Disposals/derecognition	<u>-</u>	<u>-</u>	<u>(7,004)</u>	<u>(7,004)</u>
Balance on December 31, 2024	<u>\$ -</u>	<u>\$ 5,724</u>	<u>\$ 6,547</u>	<u>\$ 12,271</u>
Carrying amount on December 31, 2024	<u>\$ 163,257</u>	<u>\$ 11,694</u>	<u>\$ 4,844</u>	<u>\$ 179,795</u>

Depreciation is calculated on a straight-line basis over the estimated useful lives as follows:

Buildings	50-55 years
Other equipment	5-10 years

Refer to Note 32 for property, plant and equipment pledged as collateral for the payment of purchase.

## 14. LEASE ARRANGEMENTS

### a. Right-of-use assets

	<u>December 31</u>	
	2025	2024
Carrying amounts of right-of-use assets		
Building	\$ 165,190	\$ -
Other equipment	<u>3,015</u>	<u>-</u>
	<u>\$ 168,205</u>	<u>\$ -</u>
	<b><u>For the Year Ended December 31</u></b>	
	2025	2024
Additions to right-of-use assets	<u>\$ 179,299</u>	<u>\$ -</u>
Depreciation expense of the right-of-use asset		
Building	\$ 10,233	\$ -
Other equipment	<u>861</u>	<u>-</u>
	<u>\$ 11,094</u>	<u>\$ -</u>

### b. Lease liabilities

	<u>December 31</u>	
	2025	2024
<u>Carrying amounts</u>		
Current	<u>\$ 14,307</u>	<u>\$ -</u>
Non-current	<u>\$ 154,767</u>	<u>\$ -</u>

Range of discount rates for lease liabilities is as follows:

	<u>December 31</u>	
	2025	2024
Buildings	2.4135%	-
Other equipment	4.8972%	-

### c. Important leasing activities and terms

The Company has signed leases for buildings to be used as warehouses and offices from June 1, 2025 to May 31, 2035, with a lease term of 10 years. Upon expiration of the lease term, these lease agreements do not contain renewal or purchase option clauses, and stipulate that the Company may not sublease, assign, or otherwise give the leased property or any part thereof to others for use, nor change its purpose or use it in violation of laws and regulations.

d. Other lease information

Refer to Note 15 for lease arrangements under operating leases of investment properties.

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Expenses relating to short-term leases	<u>\$ 6,810</u>	<u>\$ 7,745</u>
Expenses relating to low-value asset leases	<u>\$ 57</u>	<u>\$ 57</u>
Total cash outflow of leases	<u>\$ 19,592</u>	<u>\$ 7,802</u>

**15. INVESTMENT PROPERTIES**

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Cost</u>		
Balance on January 1	\$ 160,345	\$ 160,345
Reclassification	<u>21,264</u>	<u>-</u>
Balance on December 31	<u>\$ 181,609</u>	<u>\$ 160,345</u>
<u>Accumulated depreciation</u>		
Balance on January 1	\$ 6,726	\$ 6,056
Depreciation expense	679	670
Reclassification	<u>638</u>	<u>-</u>
Balance on December 31	<u>\$ 8,043</u>	<u>\$ 6,726</u>
Carrying amount on December 31	<u>\$ 173,566</u>	<u>\$ 153,619</u>

The investment properties are leased out for 1 to 5 years. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Less than a year	\$ 10,575	\$ 6,234
1-5 years	<u>7,505</u>	<u>1,257</u>
	<u>\$ 18,080</u>	<u>\$ 7,491</u>

The investment properties are depreciated using the straight-line method over 50 to 55 years of their estimated useful lives.

The fair value of the investment property as of December 31, 2025 and 2024 was \$379,351 thousand and \$333,437 thousand, respectively. The fair value of the investment property was appraised by the Company's management by reference to market evidence of transaction prices for similar properties.

The investment properties are owned by the Company. The investment properties were pledged as collateral for payment of purchase in Note 32.

## 16. INTANGIBLE ASSETS

	<b>Computer Software</b>
<u>Cost</u>	
Balance on January 1, 2025	\$ 1,789
Additions	1,250
Derecognition	<u>(544)</u>
Balance on December 31, 2025	<u>\$ 2,495</u>
<u>Accumulated amortization</u>	
Balance on January 1, 2025	\$ 764
Amortization expense	763
Derecognition	<u>(544)</u>
Balance on December 31, 2025	<u>\$ 983</u>
Carrying amount on December 31, 2025	<u>\$ 1,512</u>
<u>Cost</u>	
Balance on January 1, 2024	\$ 1,822
Additions	1,089
Derecognition	<u>(1,122)</u>
Balance on December 31, 2024	<u>\$ 1,789</u>
<u>Accumulated amortization</u>	
Balance on January 1, 2024	\$ 1,285
Amortization expense	601
Derecognition	<u>(1,122)</u>
Balance on December 31, 2024	<u>\$ 764</u>
Carrying amount on December 31, 2024	<u>\$ 1,025</u>

The above items of intangible assets are amortized on a straight-line basis over the estimated useful lives as follows:

Computer software	3-5 years
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## 17. OTHER ASSETS

	<u>December 31</u>	
	2025	2024
<u>Current</u>		
Prepayments	\$ 1,311	\$ 785
Others	<u>261</u>	<u>470</u>
	<u>\$ 1,572</u>	<u>\$ 1,255</u>

## 18. BORROWINGS

### Short-term Borrowings

	<u>December 31</u>	
	2025	2024
Unsecured bank loans	<u>\$ 531,280</u>	<u>\$ 334,065</u>

The range of interest rates of unsecured bank loans was 4.1700%-4.5315% and 5.1700%-5.4652% at December 31, 2025 and 2024, respectively.

## 19. TRADE PAYABLES

	<u>December 31</u>	
	2025	2024
<u>Trade payables</u>		
Operating	<u>\$ 298,360</u>	<u>\$ 239,108</u>

## 20. OTHER LIABILITIES

	<u>December 31</u>	
	2025	2024
<u>Current</u>		
Other payables		
Payable for salaries and bonuses	\$ 173,752	\$ 135,048
Payable for employee restricted shares	122,064	924
Payable for purchase and selling	7,565	8,624
Payable for annual leave	7,435	6,328
Interest payable	2,272	147
Others	<u>20,418</u>	<u>12,372</u>
	<u>\$ 333,506</u>	<u>\$ 163,443</u>
Other liabilities		
Others	<u>\$ 7,401</u>	<u>\$ 2,899</u>

## 21. RETIREMENT BENEFIT PLANS

### a. Defined contribution plan

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

### b. Defined benefit plan

The defined benefit plan adopted by the Company in accordance with the Labor Standards Act is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company contribute amounts equal to 2%, of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy.

The amounts included in the parent company only balance sheets in respect of the Company's defined benefit plans are as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Present value of defined benefit obligation	\$ 45,908	\$ 42,616
Fair value of plan assets	<u>(29,434)</u>	<u>(24,709)</u>
Net defined benefit liability	<u>\$ 16,474</u>	<u>\$ 17,907</u>

Movements in net defined benefit liability are as follows:

	<b>Present Value of the Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit Liability</b>
Balance on January 1, 2025	<u>\$ 42,616</u>	<u>\$ (24,709)</u>	<u>\$ 17,907</u>
Service cost			
Current service cost	691	-	691
Net interest expense (income)	<u>639</u>	<u>(383)</u>	<u>256</u>
Recognized in profit or loss	<u>1,330</u>	<u>(383)</u>	<u>947</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(553)	(553)
Actuarial gain - changes in financial assumptions	310	-	310
Actuarial gain - experience adjustments	<u>1,780</u>	<u>-</u>	<u>1,780</u>
Recognized in other comprehensive income	<u>2,090</u>	<u>(553)</u>	<u>1,537</u>

(Continued)

	<b>Present Value of the Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit Liability</b>
Contributions from the employer	\$ -	\$ (3,917)	\$ (3,917)
Benefits paid	<u>(128)</u>	<u>128</u>	<u>-</u>
Balance on December 31, 2025	<u>\$ 45,908</u>	<u>\$ (29,434)</u>	<u>\$ 16,474</u>
Balance on January 1, 2024	<u>\$ 42,764</u>	<u>\$ (20,599)</u>	<u>\$ 22,165</u>
Service cost			
Current service cost	853	-	853
Net interest expense (income)	<u>481</u>	<u>(242)</u>	<u>239</u>
Recognized in profit or loss	<u>1,334</u>	<u>(242)</u>	<u>1,092</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(616)	(616)
Actuarial gain - changes in financial assumptions	(966)	-	(966)
Actuarial gain - experience adjustments	<u>(516)</u>	<u>-</u>	<u>(516)</u>
Recognized in other comprehensive income	<u>(1,482)</u>	<u>(616)</u>	<u>(2,098)</u>
Contributions from the employer	<u>-</u>	<u>(3,252)</u>	<u>(3,252)</u>
Balance on December 31, 2024	<u>\$ 42,616</u>	<u>\$ (24,709)</u>	<u>\$ 17,907</u> (Concluded)

Through the defined benefit plans under the Labor Standards Act, the Company is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations are as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Discount rate(s)	1.375%	1.500%
Expected rate(s) of salary increase	2.500%	2.500%

If possible reasonable changes in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Discount rate(s)		
0.25% increase	<u>\$ (616)</u>	<u>\$ (621)</u>
0.25% decrease	<u>\$ 634</u>	<u>\$ 640</u>
Expected rate(s) of salary increase		
0.25% increase	<u>\$ 616</u>	<u>\$ 621</u>
0.25% decrease	<u>\$ (602)</u>	<u>\$ (606)</u>

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
The expected contributions to the plan for the next year	<u>\$ 1,683</u>	<u>\$ 1,635</u>
The average duration of the defined benefit obligation	5.6 years	6.1 years

## 22. EQUITY

### a. Share capital

#### Ordinary shares

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Number of shares authorized (in thousands)	<u>500,000</u>	<u>500,000</u>
Shares authorized	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>287,567</u>	<u>212,597</u>
Shares issued	<u>\$ 2,875,672</u>	<u>\$ 2,125,972</u>

Ordinary shares issued had a par value of NT\$10, and holders have the right to vote and receive dividends.

Of the Company's authorized shares, 10,000 thousand shares were reserved for the issuance of convertible bonds, preferred shares and employee share options, respectively.

In order to enrich operating capital, intensify financial structure and provide capital demands for the company's long term operating development, the Company raised fund and introduced strategic investors. On June 15, 2022, the Company held shareholder's meeting and a resolution was passed to increase cash capital by issuing 30,000 thousand ordinary shares through private placement. On October 6, 2022, the Company's board of directors resolved to offer for subscription with the subscriber - WT Microelectronics Co., Ltd. at a price of \$44.02 at premium, and a total cash of \$1,320,600 thousand was received. The subscription base date was on October 7, 2022, and the registration has been completed on October 25, 2022.

The aforementioned rights and obligations of private placement of new shares were same as which the ordinary shares the Company had issued. However, in accordance with Article 43-8 under the Securities and Exchange Act, the ordinary shares of this private placement shall not be freely transferred within three years from the date of subscription, except as otherwise specified in laws and regulations for special circumstances. As of November 11, 2025, a full three-year period had elapsed, thereby satisfying the regulatory requirements for the listing of privately placed securities. Accordingly, on November 12, 2025, the Company's Board of Directors duly resolved to approve the supplementary procedures for public issuance of privately placed common shares and to proceed with the application for listing and trading. The filing became effective on December 23, 2025, and the shares were formally offered to the public on December 31, 2025.

On March 23, 2022, the Company's board resolved to issue the first-time employee restricted stock awards (RSAs) for the year 2022 in a total of 4,000 thousand shares. Due to some employees resigning before meeting the conditions for the restricted employee stock options, 60 thousand shares were reclaimed, and the registration has been completed on December 4, 2024.

On May 4, 2023, the Company's board resolved to issue the first-time employee restricted stock awards (RSAs) for the year 2023 in a total of 4,000 thousand shares, which was approved for issuance by the Chairperson on April 23, 2025. A total of 3,970 thousand shares were actually issued, with the record date for the capital increase set for August 15, 2025, and the registration for change was completed.

On July 15, 2025, the Company's Board of Directors resolved to cooperate with WT Microelectronics through a share exchange, whereby the Company will carry out capital increase through issuing 71,000 thousand new ordinary shares to acquire 47,428 thousand new ordinary shares issued for capital increase by WT Microelectronics. The record date for the share exchange is October 1, 2025, and the registration for change was completed on October 27, 2025.

b. Capital surplus

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)</u>		
Issuance of ordinary shares	\$ 7,472,865	\$ 1,353,609
Conversion of bonds	111,200	111,200
Treasury share transactions	19,455	19,455
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	15,334	15,334
From business combinations	289	289
Others	<u>3,814</u>	<u>3,814</u>
	<u>7,622,957</u>	<u>1,503,701</u>
<u>May only be used to offset a deficit</u>		
Changes in percentage of ownership interests in subsidiaries	42,656	42,656
Others	<u>2,707</u>	<u>1,860</u>
	<u>45,363</u>	<u>44,516</u>
<u>May not be used for any purpose</u>		
Employee restricted shares	<u>108,906</u>	<u>79,528</u>
	<u>\$ 7,777,226</u>	<u>\$ 1,627,745</u>

Note: Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

c. Retained earnings and dividend policy

In their regular meeting on June 25, 2024, the shareholders approved the amendments to the Company's Articles of Incorporation. If there is a surplus in the final accounts of the Company, the tax shall be paid first to make up for previous losses, and 10% shall then be added to the legal reserve, except when the legal reserve becomes equal to the paid-up capital of the Company. In addition, the special reserve shall be listed or reversed according to the Company's operating needs and legal regulations. The remaining balance (the "distributable earnings of the current year") is consolidated with the unappropriated earnings at the beginning of the same period. The board of directors shall then draft a surplus distribution plan for presentation and approval at the shareholders' meeting. The total amount of dividends distributed each year shall not be less than 50% of the distributable earnings of the current year.

Under the dividends policy as set forth in the Articles before the amendments, if there is a surplus in the final accounts of the Company, the tax shall be paid first to make up for previous losses, and 10% shall be added to the legal reserve, except when the legal reserve has reached the paid-up capital of the company. In addition, the special reserve shall be listed or reversed according to the Company's operating needs and legal regulations. The total amount of dividends distributed each year shall not be less than 50% of the distributable earnings of the current year, and the board of directors shall draft a surplus distribution plan to shareholders' meeting resolution for distribution. For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, refer to compensation of employees and remuneration of directors in Note 24(g).

Under Article 240 of Company Act, the Company authorizes over half of two thirds of the board of directors to approve the distribution in cash of dividends, bonuses, all or part of the legal reserve, and capital surplus stipulated in Article 241 of Company Act, and report this distribution at the shareholders' meeting.

The Company will consider the environment and its growth stage, in response to future capital needs and long-term financial planning. The earnings shall be distributed in accordance with Article 21 of Articles of Incorporation, and the cash dividend distributed to shareholders in the current year shall be no less than 30% of the total amount of shareholders' dividends.

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2024 and 2023, which were approved in the shareholders' meetings on June 11, 2025 and June 25, 2024, respectively, were as follows:

	<b>Appropriation of Earnings</b>	
	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Legal reserve	<u>\$ 113,451</u>	<u>\$ 73,072</u>
Reversal of special reserve	<u>\$ -</u>	<u>\$ 40,925</u>
Special reserve appropriated	<u>\$ 60,114</u>	<u>\$ -</u>
Cash dividends	<u>\$ 892,908</u>	<u>\$ 723,034</u>
Cash dividends per share (NT\$)	<u>\$ 4.20</u>	<u>\$ 3.40</u>

The appropriation of earnings for 2025, which were proposed by the Company's board of directors on March 2, 2026, were as follows:

	<b>For the Year Ended December 31, 2025</b>
Legal reserve	<u>\$ 125,206</u>
Reversal of special reserve	<u>\$ 38,216</u>
Cash dividends	<u>\$ 1,380,322</u>
Cash dividends per share (NT\$)	<u>\$ 4.80</u>

The above appropriation for cash dividends has been resolved by the Company's board of directors; the other proposed appropriations will be resolved by the shareholders in their meeting to be held on May 22, 2026.

d. Special reserve

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance on January 1	\$ 10,950	\$ 51,875
Special reserve appropriated		
Debits to other equity items	60,114	-
Reversal of special reserve		
Reversal of the debits to other equity items	<u>          -</u>	<u>(40,925)</u>
Balance on December 31	<u>\$ 71,064</u>	<u>\$ 10,950</u>

A proportionate share of special reserve relating to exchange differences from the translation of the financial statements of foreign operations (including the subsidiaries of the Company) will be reversed on the Company's disposal of foreign operations; on the Company's loss of significant influence, however, the entire special reserve will be reversed. Additional special reserve should be appropriated for the amount equal to the difference between net debit balance reserves and the special reserve appropriated on the first-time adoption of IFRS Accounting Standards. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and thereafter distributed.

e. Other equity items

1) Exchange differences on translation of the financial statements of foreign operations

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance on January 1	<u>\$ (20,722)</u>	<u>\$ (41,401)</u>
Recognized for the year		
Exchange differences on the translation of the financial statements of foreign operations	577	4,637
Share from subsidiaries accounted for using the equity method	<u>3,030</u>	<u>16,042</u>
Other comprehensive income recognized for the year	<u>3,607</u>	<u>20,679</u>
Balance on December 31	<u>\$ (17,115)</u>	<u>\$ (20,722)</u>

2) Unrealized valuation (loss) gain on financial assets at FVTOCI

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance on January 1	\$ (50,342)	\$ 36,018
Recognized for the year		
Unrealized gain on equity instruments	12,432	118,382
Share from subsidiaries accounted for using equity method	<u>22,177</u>	<u>(20,704)</u>
Other comprehensive income recognized for the year	<u>34,609</u>	<u>97,678</u>
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	<u>-</u>	<u>(184,038)</u>
Balance on December 31	<u>\$ (15,733)</u>	<u>\$ (50,342)</u>

**23. REVENUE**

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Revenue from contracts with customers		
Revenue from the sale of goods	<u>\$ 2,679,305</u>	<u>\$ 1,751,070</u>

a. Contract information

Revenue from sale of goods

The Company sells electronic components to the manufacturers of the information products, video products, and electronic communication products. The amount of discount and related revenue are estimated using the most likely amount, taking into consideration the customer's historical purchase records. All other goods are sold at their respective amounts as agreed in the contracts.

b. Contract balances

	<b>December 31, 2025</b>	<b>December 31, 2024</b>	<b>January 1, 2024</b>
Trade receivables, net (Note 10)	<u>\$ 947,062</u>	<u>\$ 607,586</u>	<u>\$ 454,588</u>
Trade receivables from related parties (Note 31)	<u>\$ 44,951</u>	<u>\$ 69,553</u>	<u>\$ 41,114</u>
Contract liabilities - current			
Advance on contract	<u>\$ 299</u>	<u>\$ 164</u>	<u>\$ 184</u>

The changes in the balance of contract liabilities primarily result from the timing difference between the Company's satisfaction of performance obligations and the respective customer's payment. The revenue recognized from the contract liability balance at the beginning for the year, which amounted to \$164 thousand and \$184 thousand for the years ended December 31, 2025 and 2024, respectively.

## 24. NET PROFIT FOR THE YEAR

### a. Interest income

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Bank deposits	\$ 2,864	\$ 16,055
Financing provided to related parties (Note 31)	8,272	5,774
Others	<u>386</u>	<u>1,040</u>
	<u>\$ 11,522</u>	<u>\$ 22,869</u>

### b. Other income

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Dividends income	\$ 65,978	\$ 2,429
Rental income		
Investment properties	13,402	13,908
Depreciation of investment properties	<u>(679)</u>	<u>(670)</u>
	<u>12,723</u>	<u>13,238</u>
Payroll expense allocation	<u>76,439</u>	<u>58,875</u>
Remuneration of director acquired	<u>14,473</u>	<u>9,416</u>
Others	<u>7,386</u>	<u>2,342</u>
	<u>\$ 176,999</u>	<u>\$ 86,300</u>

### c. Other gains and losses

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Net foreign exchange (losses) gains	\$ (6,901)	\$ 11,749
Gain on disposal of property, plant and equipment	<u>602</u>	<u>-</u>
	<u>\$ (6,299)</u>	<u>\$ 11,749</u>

### d. Finance costs

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Interest on bank loans	\$ 18,378	\$ 9,797
Interest on lease liabilities	2,500	-
Interest on rental deposits	<u>22</u>	<u>20</u>
	<u>\$ 20,900</u>	<u>\$ 9,817</u>

e. Depreciation and amortization

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Property, plant and equipment	\$ 2,930	\$ 3,945
Right-of-use assets	11,094	-
Investment properties	679	670
Intangible assets	<u>763</u>	<u>601</u>
	<u>\$ 15,466</u>	<u>\$ 5,216</u>
An analysis of depreciation by function		
Operating expenses	\$ 14,024	\$ 3,945
Non-operating income and expenses	<u>679</u>	<u>670</u>
	<u>\$ 14,703</u>	<u>\$ 4,615</u>
An analysis of amortization by function		
Operating expenses	<u>\$ 763</u>	<u>\$ 601</u>

f. Employee benefits expense

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Post-employment benefits		
Defined contribution plans	\$ 5,875	\$ 5,340
Defined benefit plans (Note 21)	<u>947</u>	<u>1,092</u>
	6,822	6,432
Share-based payments (Note 27)		
Equity-settled	16,022	18,752
Other employee benefits	<u>207,511</u>	<u>149,093</u>
	<u>\$ 230,355</u>	<u>\$ 174,277</u>
An analysis of employee benefits expense by function		
Operating expenses	<u>\$ 230,355</u>	<u>\$ 174,277</u>

The average numbers of employees are 169 and 159 for the years ended December 31, 2025 and 2024.

g. Compensation of employees and remuneration of directors

If the Company makes a profit in a year, no less than 5% shall be set aside as employee compensation and no more than 3% shall be set aside as director compensation. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions. According to the amendments to the Securities and Exchange Act in August 2024, the Company has amended its Articles of Incorporation by resolution at the 2025 General Shareholders' Meeting, stipulating that if the Company makes a profit in the year, it shall appropriate no less than 5% as remuneration of employees (of which no less than 15% shall be distributed to non-executive employees) and no more than 3% as remuneration of director. However, if the Company has accumulated deficits, an amount sufficient to cover such deficits shall be reserved in advance. The aforementioned remuneration of employees and non-executive employees may be in the form of stock or cash, and the recipients may include employees of subsidiaries who meet certain conditions, while

the remuneration of directors may only be distributed in cash. The foregoing two matters shall be executed pursuant to a special resolution of the Company's board of directors and duly reported to the shareholders' meeting. for the years ended December 31, 2025 and 2024, the remuneration of employees (including non-executive employees) and directors were estimated based on past experience and current operating conditions. The respective amounts, as resolved for distribution by the Board of Directors on March 2, 2026, and March 13, 2025, respectively, are as follows:

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
	<b>Cash</b>	<b>Cash</b>
Compensation of employees	<u>\$ 102,324</u>	<u>\$ 78,266</u>
Remuneration of directors	<u>\$ 21,927</u>	<u>\$ 16,771</u>

If there is a change in the amount after the annual parent company only financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the parent company only financial statements for the years ended December 31, 2024 and 2023.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

## 25. INCOME TAXES

- a. Major components of tax expense recognized in profit or loss

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Current tax		
In respect of the current year	\$ 45,679	\$ 51,815
Income tax on unappropriated earnings	3,402	-
Adjustments for prior years' tax	<u>17</u>	<u>747</u>
	49,098	52,562
Deferred tax		
In respect of the current year	<u>10,821</u>	<u>2,058</u>
Income tax expense recognized in profit or loss	<u>\$ 59,919</u>	<u>\$ 54,620</u>

A reconciliation of accounting profit and income tax expense is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Profit before tax from continuing operations	<u>\$ 1,312,589</u>	<u>\$ 1,001,418</u>
Income tax expense calculated at the statutory rate	\$ 262,518	\$ 200,284
Nondeductible expenses in determining taxable income	62	112
Deferred tax effect of earnings of subsidiaries	-	2,806
Tax exempt income	(206,080)	(149,329)
		(Continued)

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Income tax on unappropriated earnings	\$ 3,402	\$ -
Adjustments for prior years' tax	<u>17</u>	<u>747</u>
Income tax expense recognized in profit or loss	<u>\$ 59,919</u>	<u>\$ 54,620</u>

(Concluded)

b. Income tax recognized in other comprehensive income

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Deferred tax</u>		
In respect of the current year		
Remeasurement of defined benefit plans	<u>\$ (307)</u>	<u>\$ 419</u>

c. Current tax liabilities

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Current tax liabilities</u>		
Income tax payable	<u>\$ 22,059</u>	<u>\$ 11,697</u>

d. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2025

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Comprehensive Income</b>	<b>Closing Balance</b>
<u>Deferred tax assets</u>				
Temporary differences				
Defined benefit obligation	\$ 3,249	\$ (593)	\$ 307	\$ 2,963
Provision for loss on inventories	2,322	(227)	-	2,095
Unrealized gross profit on sales	1,939	1,277	-	3,216
Payable for annual leave	1,266	221	-	1,487
Unrealized sales allowance	<u>211</u>	<u>225</u>	<u>-</u>	<u>436</u>
	<u>\$ 8,987</u>	<u>\$ 903</u>	<u>\$ 307</u>	<u>\$ 10,197</u>
<u>Deferred tax liabilities</u>				
Temporary differences				
Share of profit or loss of subsidiaries	\$ 66,821	\$ 9,860	\$ -	\$ 76,681
Unrealized exchange profit	<u>1,122</u>	<u>1,864</u>	<u>-</u>	<u>2,986</u>
	<u>\$ 67,943</u>	<u>\$ 11,724</u>	<u>\$ -</u>	<u>\$ 79,667</u>

For the year ended December 31, 2024

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Comprehensive Income</b>	<b>Closing Balance</b>
<u>Deferred tax assets</u>				
Temporary differences				
Provision for loss on inventories	\$ 6,270	\$ (3,948)	\$ -	\$ 2,322
Defined benefit obligation	4,101	(433)	(419)	3,249
Unrealized exchange loss	1,426	(1,426)	-	-
Unrealized gross profit on sales	1,290	649	-	1,939
Payable for annual leave	1,263	3	-	1,266
Unrealized sales allowance	<u>223</u>	<u>(12)</u>	<u>-</u>	<u>211</u>
	<u>\$ 14,573</u>	<u>\$ (5,167)</u>	<u>\$ (419)</u>	<u>\$ 8,987</u>
<u>Deferred tax liabilities</u>				
Temporary differences				
Share of profit or loss of subsidiaries	\$ 71,052	\$ (4,231)	\$ -	\$ 66,821
Unrealized exchange profit	<u>-</u>	<u>1,122</u>	<u>-</u>	<u>1,122</u>
	<u>\$ 71,052</u>	<u>\$ (3,109)</u>	<u>\$ -</u>	<u>\$ 67,943</u>

- e. Deductible temporary differences for which no deferred tax assets have been recognized in the balance sheets

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Deductible temporary differences</u>		
Impairment loss on goodwill	<u>\$ 50,011</u>	<u>\$ 50,011</u>

- f. Income tax assessments

The income tax returns through 2023 have been assessed by the tax authorities.

**26. EARNINGS PER SHARE**

	<b>Unit: NT\$ Per Share</b>	
	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Basic earnings per share	<u>\$ 5.48</u>	<u>\$ 4.52</u>
Diluted earnings per share	<u>\$ 5.41</u>	<u>\$ 4.46</u>

The earnings and weighted average number of ordinary shares outstanding used in computation of earnings per share were as follows:

### Net Profit for the Year

	<u>For the Year Ended December 31</u>	
	2025	2024
Earnings used in the computation of basic and diluted earnings per share	<u>\$ 1,252,670</u>	<u>\$ 946,798</u>

The weighted average number of ordinary shares outstanding (in thousand shares) was as follows:

	<u>For the Year Ended December 31</u>	
	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	228,734	209,370
Effect of potentially dilutive ordinary shares		
Compensation of employees	1,255	1,326
Share-based payment arrangements	<u>1,668</u>	<u>1,778</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>231,657</u>	<u>212,474</u>

The Company may settle compensation or bonuses paid to employees in cash or shares, therefore, the Company assumes that the entire amount of the compensation or bonuses will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

## 27. SHARE-BASED PAYMENT ARRANGEMENTS

### Employee Share Option Plan of the Company

On March 23, 2022, the Company's board meeting resolved to issue the first employee restricted stock awards (RSAs), consisting of 4,000 thousand shares with a par value of NT\$10, in a total amount of \$40,000 thousand at a price of 50% of the closing price on the issuing date. This proposal was approved and became effective by the Financial Supervisory Commission (FSC) dated July 12, 2022. The Company's board meeting resolved to issue the RSAs on July 14, 2022, and the subscription base date was on July 22, 2022. The issue price and the fair value at grant date were \$21.93 per share and \$21.92 per share, respectively. If an employee remains employed by the Company for two years after that grant date, 40% of the restricted shares will be vested; if an employee remains employed by the Company for three years after that grant date, 30% of the restricted shares will be vested; if an employee remains employed by the Company for four years after that grant date, 30% of the restricted shares will be vested. There were 60 thousand employee restricted shares that had been forfeited due to resignation or had not reached the vesting condition as of the reporting date. ; 204 thousand restricted shares for employees' special contributions. As of December 31, 2025, there were 1,014 thousand unvested restricted shares for employees.

On May 4, 2023, the Company's board meeting resolved to issue the first employee restricted stock awards (RSAs) for 2023, consisting of 4,000 thousand shares with a par value of NT\$10, in a total amount of \$40,000 thousand at a price of 50% of the closing price on the issuing date. The aforementioned resolution became effective upon filing with the FSC on October 11, 2023. The actual issuance date was determined by the Chairperson as authorized by the Board of Directors, and has been approved for issuance by the Chairperson on April 23, 2025. The base date for this capital increase through restricted shares for employees was August 15, 2025, with an issue price of NT\$30.55 per share, a fair value of NT\$30.68 per share on the grant date, and an actual issuance of 3,970 thousand shares. After being granted restricted shares for employees, 40% is vested to employees with two years of service since grant date; 30% is vested to employees with three years of service since grant date; and 30% is vested to employees with four years of service since grant date. As of December 31, 2025, there were 3,970 thousand unvested restricted shares for employees.

Movements in RSAs are as follows:

	Ordinary shares	Capital Surplus - Restricted Stock Units	Capital Surplus - Issue of Shares at Premium	Unappropriated Earnings	Other Equity - Unearned Stock-based Employee Compensation
Amounts on July 14, 2022, the grant date of RSAs	\$ 40,000	\$ 125,911	\$ -	\$ -	\$ (82,937)
Share-based payments recognized	-	-	-	-	15,551
Balance on December 31, 2022	40,000	125,911	-	-	(67,386)
Share-based payments recognized	-	-	-	-	31,989
Adjustment to the movement of resignation	-	3,157	-	-	(1,578)
Recognition of non-vesting condition dividends	-	-	-	794	-
Balance on December 31, 2023	40,000	129,068	-	794	(36,975)
Share-based payments recognized	-	-	-	-	24,260
Arising from vested new employee restricted shares	-	(51,994)	51,994	-	-
Adjustment to the movement of resignation	-	4,438	-	-	(2,218)
Refund of issuance of restricted shares for employees	(600)	(1,984)	-	525	1,291
Recognition of dividends under non-vesting condition	-	-	-	(410)	-
Balance on December 31, 2024	39,400	79,528	51,994	909	(13,642)
Amounts on August 15, 2025, the grant date of RSAs	39,700	76,144	-	-	(115,844)
Share-based payments recognized	-	-	-	-	29,204
Arising from vested new employee restricted shares	-	(47,052)	47,052	-	-
Adjustment to the movement of resignation	-	286	-	-	(142)
Recognition of dividends under non-vesting condition	-	-	-	92	-
Balance on December 31, 2025	<u>\$ 79,100</u>	<u>\$ 108,906</u>	<u>\$ 99,046</u>	<u>\$ 1,001</u>	<u>\$ (100,424)</u>

The restrictions on the rights of the employees who acquire the restricted shares but have not met the vesting conditions are as follows:

- The RSAs should be held in stock trust. During each vesting period, no employee granted RSAs, except for inheritance, may sell, pledge, transfer, give to another person, create any encumbrance on, or otherwise dispose of, any shares under the unvested RSAs.
- The voting rights of the shareholders meeting shall be exercised by trust custodians in accordance with relevant laws and regulations.
- Before the vesting conditions are fulfilled, the employees holding these shares are entitled to receive cash and share dividends, which are the same as those of holders of ordinary shares of the Company. However, the employees holding these shares are not entitled with the subscription right of the new shares issued for any capital increase.

## 28. CASH FLOWS INFORMATION

### Changes in Liabilities from Financing Activities

For the year ended December 31, 2025

	<b>Opening Balance</b>	<b>Cash Flows</b>	<b>Non-cash Changes Lease Changes</b>	<b>Closing Balance</b>
Short-term borrowings	\$ 334,065	\$ 197,215	\$ -	\$ 531,280
Guarantee deposits received	1,250	309	-	1,559
Lease liabilities (current and non-current)	<u>-</u>	<u>(10,225)</u>	<u>179,299</u>	<u>169,074</u>
	<u>\$ 335,315</u>	<u>\$ 187,299</u>	<u>\$ 179,299</u>	<u>\$ 701,913</u>

For the year ended December 31, 2024

	<b>Opening Balance</b>	<b>Cash Flows</b>	<b>Closing Balance</b>
Short-term borrowings	\$ 209,810	\$ 124,255	\$ 334,065
Guarantee deposits received	<u>1,109</u>	<u>141</u>	<u>1,250</u>
	<u>\$ 210,919</u>	<u>\$ 124,396</u>	<u>\$ 335,315</u>

## 29. CAPITAL MANAGEMENT

The Company manages its capital to ensure that the Company will be able to continue as a going concern to fund its working capital needs, repayment of bank loan, and dividend expense over the next 12 months while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt and equity of the Company.

The Company is not subject to any externally imposed capital requirements.

## 30. FINANCIAL INSTRUMENTS

### a. Fair value of financial instruments not measured at fair value

Management believes the carrying amounts of financial assets and financial liabilities recognized in the parent company only financial statements approximate their fair values.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Domestic listed shares	\$ 8,004,636	\$ _____	\$ _____	\$ 8,004,636

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Domestic listed shares	\$ 1,210,000	\$ _____	\$ _____	\$ 1,210,000

There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the year ended December 31, 2024

Financial Assets	<u>Financial Assets at FVTOCI Equity Instruments</u>
Balance on January 1, 2024	\$ 96,979
Recognized in other comprehensive income (included in unrealized valuation gain/(loss) on financial assets at FVTOCI)	103,175
Reclassification	<u>(200,154)</u>
Balance on December 31, 2024	<u>\$ _____</u>

3) Valuation techniques and inputs applied for Level 3 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Unlisted shares - domestic	The asset-based approach is used for evaluation based on the total value of individual assets and individual liabilities to show the overall value of the investment target. Significant unobservable inputs are discounted by considering market liquidity.

c. Categories of financial instruments

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Financial assets</u>		
Financial assets at amortized cost		
Cash and cash equivalents	\$ 746,383	\$ 210,712
Notes receivable, net	5,462	4,335
Trade receivables, net	947,062	607,586
Trade receivables from related parties	44,951	69,553
Other receivables from unrelated parties	829	144
Other receivables from related parties	8,208	413,315
Refundable deposits	5,119	906
Financial assets at amortized cost (included in current and non-current)	3,522	150
Financial assets at FVTOCI (included in current and non-current)		
Equity instruments	8,004,636	1,210,000
<u>Financial liabilities</u>		
Financial liabilities at amortized cost		
Short-term borrowings	531,280	334,065
Trade payables to unrelated parties	298,360	239,108
Trade payables to related parties	93,802	57,257
Other payables to unrelated parties	30,255	21,143
Other payables to related parties	93	249
Guarantee deposits received	1,559	1,250

d. Financial risk management objectives and policies

The Company's major financial instruments include equity and debt investments, trade receivables, trade payables, short-term borrowings and lease liabilities. The Company's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Company through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

a) Foreign currency risk

The Company have foreign currency denominated sales and purchases, which expose the Company to foreign currency risk.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities and of the derivatives exposed to foreign currency risk at the end of the year are set out in Note 34.

### Sensitivity analysis

The Company is mainly exposed to the USD.

The following table details the Company's sensitivity to a 5% increase and decrease in the New Taiwan dollar (i.e., the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the year for a 5% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit with the New Taiwan dollar strengthening 5% against the relevant currency, for a 5% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit, and the balances below would be negative.

	<b>USD Impact</b>	
	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Profit or loss	<u>\$ 1,052</u>	<u>\$ 1,844</u>

#### b) Interest rate risk

Interest rate risk refers to the risk that the change in market value will influence the fair value of financial instruments. The Company's interest rate risk arises primarily from investment at fixed interest rates and borrowings at floating interest rates.

The carrying amounts of the Company's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows.

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Fair value interest rate risk		
Financial assets	\$ 681,748	\$ 185,373
Financial liabilities	700,354	227,882
Cash flow interest rate risk		
Financial assets	67,746	25,069
Financial liabilities	-	106,183

### Sensitivity analysis

The sensitivity analysis below was determined based on the Company's exposure to interest rates for non-derivative instruments at the end of year. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the year was outstanding for the whole year.

If interest rates had been 50 basis points higher and all other variables were held constant, the Company's pre-tax profit for the years ended December 31, 2025 and 2024 would have increased (decreased) by \$339 thousand and \$(406) thousand, respectively.

#### c) Other price risk

The Company was exposed to equity price risk through its investments in listed equity securities.

## Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher, the post-tax other comprehensive income for the year ended December 31, 2025 and 2024 would have increased by \$80,046 thousand and \$12,100 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

### 2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. At the end of the year, the Company's maximum exposure to credit risk due to failure of counterparties to discharge an obligation could arise from the carrying amount of the respective recognized financial assets as stated in the balance sheets.

In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the year to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk was significantly reduced.

The Company transacted with a large number of customers from various industries and geographical locations. The Company continuously assesses the financial positions of customers.

The receivables from Company A amounted to \$141,848 thousand and \$1,671 thousand, and Company B amounted to \$122,528 thousand and \$49,052 thousand as of December 31, 2025 and 2024, respectively. The Company transacts with a large number of unrelated customers and thus, credit risk is not highly concentrated.

### 3) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

#### Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Company can be required to pay. The tables included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

To the extent that interest flows are at floating rate, the undiscounted amount was derived from the interest rate curve at the end of the year.

The non-interest-bearing financial liabilities of the Company's current liabilities are due within one year and not required to be paid off on demand. Guarantee deposits received in non-current financial liabilities are mainly deposited by lessee as credit guarantees and have no specific maturity date.

December 31, 2025

	<b>On Demand or Less than 1 Month</b>	<b>1-6 Months</b>	<b>7 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Lease liabilities	\$ 1,801	\$ 9,007	\$ 7,437	\$ 77,584	\$ 93,805
Fixed interest rate liabilities	<u>1,997</u>	<u>537,141</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,798</u>	<u>\$ 546,148</u>	<u>\$ 7,437</u>	<u>\$ 77,584</u>	<u>\$ 93,805</u>

December 31, 2024

	<b>On Demand or Less than 1 Month</b>	<b>1-6 Months</b>	<b>7 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Variable interest rate liabilities	\$ 33,180	\$ 74,118	\$ -	\$ -	\$ -
Fixed interest rate liabilities	<u>1,027</u>	<u>232,086</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 34,207</u>	<u>\$ 306,204</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the year.

### 31. TRANSACTIONS WITH RELATED PARTIES

Besides as disclosed elsewhere in the other notes, details of transactions between the Company and other related parties are disclosed below.

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Category</u>
Lipers Enterprise Co., Ltd.	Subsidiary
Scope Technology Co., Ltd.	Subsidiary
Advance Electronic Supply Inc.	Subsidiary
Vic-Dawn Enterprise Co., Ltd.	Subsidiary
Tonsam Corporation	Subsidiary
Koho (Taiwan) Co., Ltd.	Subsidiary
Nichidenbo (Shenzhen) Trading Co., Ltd.	Subsidiary
Nichidenbo Suzhou Trading Co., Ltd.	Subsidiary
Lipers (Hong Kong) Enterprise Co., Ltd.	Subsidiary
Lipers Electronic (SZ) Co., Ltd.	Subsidiary

b. Revenue from sale of goods

<b>Related Party Category</b>	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Subsidiaries	<u>\$ 219,818</u>	<u>\$ 172,932</u>

Sales of goods from related parties were made at arm's length.

c. Purchases of goods

<b>Related Party Category</b>	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Subsidiaries	<u>\$ 277,608</u>	<u>\$ 168,301</u>

Purchases of goods from related parties were made at arm's length.

d. Receivables from related parties (excluding borrowings to related parties)

<b>Line Item</b>	<b>Related Party Category/Name</b>	<b>December 31</b>	
		<b>2025</b>	<b>2024</b>
Trade receivables	Subsidiaries	<u>\$ 44,951</u>	<u>\$ 69,553</u>
Other receivables	Scope Technology Co., Ltd.	\$ 3,760	\$ 3,818
	Lipers Enterprise Co., Ltd.	1,739	2,230
	Advance Electronic Supply Inc.	1,520	1,149
	Koho (Taiwan) Co., Ltd.	577	493
	Other subsidiaries	<u>612</u>	<u>625</u>
		<u>\$ 8,208</u>	<u>\$ 8,315</u>
Payment on behalf of others (included in other current assets)	Subsidiaries	<u>\$ 3</u>	<u>\$ 1</u>

The outstanding trade receivables from related parties are unsecured. For the years ended December 31, 2025 and 2024, no impairment losses were recognized for trade receivables from related parties.

e. Prepayments (included in other current assets)

<b>Related Party Name</b>	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Vic-Dawn Enterprise Co., Ltd	<u>\$ 187</u>	<u>\$ 187</u>

f. Refundable deposits

<b>Related Party Name</b>	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Vic-Dawn Enterprise Co., Ltd.	\$ 319	\$ 319
Lipers Enterprise Co., Ltd.	<u>-</u>	<u>536</u>
	<u>\$ 319</u>	<u>\$ 855</u>

g. Payables to related parties

<b>Line Item</b>	<b>Related Party Category/Name</b>	<b>December 31</b>	
		<b>2025</b>	<b>2024</b>
Trade payables	Advance Electronic Supply Inc.	\$ 69,035	\$ 32,665
	Scope Technology Co., Ltd.	15,341	3,919
	Lipers Enterprise Co., Ltd.	4,743	6,265
	Koho (Taiwan) Co., Ltd.	1,952	6,425
	Nichidenbo Suzhou Trading Co., Ltd.	1,817	6,148
	Other subsidiaries	<u>914</u>	<u>1,835</u>
		<u>\$ 93,802</u>	<u>\$ 57,257</u>
Other payables	Subsidiaries	<u>\$ 93</u>	<u>\$ 249</u>

The outstanding trade payables to related parties are unsecured.

h. Advance received (included in other current liabilities)

<b>Related Party Name</b>	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Subsidiaries	<u>\$ 2,478</u>	<u>\$ 567</u>

i. Guarantee deposits received

<b>Related Party Name</b>	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Vic-Dawn Enterprise Co., Ltd.	\$ 231	\$ 231
Scope Technology Co., Ltd.	197	197
Tonsam Corporation	123	123
Lipers Enterprise Co., Ltd.	98	98
Advance Electronic Supply Inc.	95	339
Koho (Taiwan) Co., Ltd.	<u>36</u>	<u>36</u>
	<u>\$ 780</u>	<u>\$ 1,024</u>

j. Lease arrangements - the Company is lessee

<b>Related Party Name</b>	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Lease expense</u>		
Lipers Enterprise Co., Ltd.	\$ 3,988	\$ 5,132
Vic-Dawn Enterprise Co., Ltd.	<u>2,248</u>	<u>2,248</u>
	<u>\$ 6,236</u>	<u>\$ 7,380</u>

The Company leased place of operation from subsidiaries. The rental is based on local rates and are paid monthly.

k. Lease arrangements - the Company is lessor

Lease arrangements - the Company is lessor under operating leases

The total amount of lease payments to be collected in the future are summarized as follow:

<b>Related Party Category/Name</b>	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Scope Technology Co., Ltd.	\$ 2,218	\$ 894
Lipers Enterprise Co., Ltd.	1,664	-
Advance Electronic Supply Inc.	467	2,408
Other subsidiaries	<u>1,104</u>	<u>1,172</u>
	<u>\$ 5,453</u>	<u>\$ 4,474</u>

Lease income was as follows:

<b>Related Party Category/Name</b>	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Advance Electronic Supply Inc.	\$ 3,354	\$ 4,429
Scope Technology Co., Ltd.	3,056	3,011
Lipers Enterprise Co., Ltd.	1,823	1,624
Tonsam Corporation	1,257	1,302
Other subsidiaries	<u>1,354</u>	<u>1,439</u>
	<u>\$ 10,844</u>	<u>\$ 11,805</u>

The rental of place of operation between the Company and its related parties are based on local rates and are collected monthly.

l. Loans to related parties

<b>Related Party Category</b>	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Scope Technology Co., Ltd.	\$ -	\$ 225,000
Lipers Enterprise Co., Ltd.	<u>-</u>	<u>180,000</u>
	<u>\$ -</u>	<u>\$ 405,000</u>

Interest income

<b>Related Party Category/Name</b>	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Lipers Enterprise Co., Ltd.	\$ 4,574	\$ 3,061
Scope Technology Co., Ltd.	3,698	2,223
Other subsidiaries	<u>-</u>	<u>490</u>
	<u>\$ 8,272</u>	<u>\$ 5,774</u>

As of December 31, 2025 and 2024, the ending balances of loans to related parties were \$0 thousand and \$405,000 thousand, respectively. The highest balances of the loans to Scope Technology Co., Ltd., Lipers Enterprise Co., Ltd., and Koho (Taiwan) Co., Ltd., for the year 2025 were \$300,000 thousand, \$300,000 thousand and \$80,000 thousand, respectively. The highest balances of the loans to Scope Technology Co., Ltd., Lipers Enterprise Co., and Ltd., Koho (Taiwan) Co., Ltd., for the year 2024 were \$300,000 thousand, \$300,000 thousand and \$80,000 thousand, respectively.

The Company provided short-term loans to subsidiaries with unsecured short-term loans at rates comparable to market interest rates during the years 2024.

m. Other transactions with related parties

<b>Related Party Category/Name</b>	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Payroll expense allocation (included in deduction of payroll expense)</u>		
Scope Technology Co., Ltd.	\$ 37,740	\$ 37,236
Lipers Enterprise Co., Ltd.	23,843	14,427
Advance Electronic Supply Inc.	13,835	14,494
Koho (Taiwan) Co., Ltd.	6,892	8,211
Other subsidiaries	<u>6,642</u>	<u>7,608</u>
	<u>\$ 88,952</u>	<u>\$ 81,976</u>
<u>Operating expense</u>		
Subsidiaries	<u>\$ 827</u>	<u>\$ 1,095</u>
<u>Interest income</u>		
Other subsidiaries	<u>\$ 12</u>	<u>\$ 14</u>
<u>Other income</u>		
Scope Technology Co., Ltd.	\$ 36,090	\$ 30,131
Lipers Enterprise Co., Ltd.	21,265	8,455
Advance Electronic Supply Inc.	12,960	10,529
Other subsidiaries	<u>11,533</u>	<u>11,093</u>
	<u>\$ 81,848</u>	<u>\$ 60,208</u>
<u>Finance costs</u>		
Subsidiaries	<u>\$ 17</u>	<u>\$ 16</u>

The management service income between the Company and its subsidiaries are based on the service provided and received monthly.

n. Remuneration of key management personnel

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Short-term employee benefits	\$ 110,396	\$ 88,038
Post-employment benefits	1,393	1,545
Share-based payments	<u>7,834</u>	<u>16,926</u>
	<b><u>\$ 119,623</u></b>	<b><u>\$ 106,509</u></b>

The remuneration of directors and key executives, as determined by the remuneration committee, is based on the performance of individuals and market trends. The short-term employee benefits above includes issuance on behalf of the subsidiaries.

### 32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided to suppliers, lessors, and others as collateral for purchase payments and lease deposits, respectively. The carrying amounts were as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Property, plant and equipment	\$ 55,027	\$ 55,183
Investment properties	33,387	33,496
Financial assets at amortized cost - non-current	<u>3,522</u>	<u>150</u>
	<b><u>\$ 91,936</u></b>	<b><u>\$ 88,829</u></b>

### 33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

a. As of December 31, 2025 and 2024, outstanding endorsement/guarantee were as follows:

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Koho (Taiwan) Co., Ltd.	<u>\$ 130,000</u>	<u>\$ 130,000</u>

b. As of December 31, 2025, the amount of Taishin International Bank guaranteed letter provided as collateral for payment of purchase was \$50,000 thousand.

### 34. EXCHANGE RATE INFORMATION OF FOREIGN-CURRENCY FINANCIAL ASSETS AND LIABILITIES

The Company's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Company and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
<u>December 31, 2025</u>			
<u>Financial assets</u>			
Monetary items			
USD	\$ 29,699	31.430 (USD:NTD)	\$ 933,430
Non-monetary items			
Investments accounted for using the equity method			
HKD	33,715	4.038 (HKD:NTD)	136,140
<u>Financial liabilities</u>			
Monetary items			
USD	29,029	31.430 (USD:NTD)	912,391
<u>December 31, 2024</u>			
<u>Financial assets</u>			
Monetary items			
USD	19,458	32.785 (USD:NTD)	637,924
Non-monetary items			
Investments accounted for using the equity method			
HKD	27,206	4.222 (HKD:NTD)	114,865
<u>Financial liabilities</u>			
Monetary items			
USD	18,333	32.785 (USD:NTD)	601,048

The significant unrealized foreign exchange gains (losses) were as follows:

	For the Year Ended December 31			
	2025		2024	
Foreign Currency	Exchange Rate	Net Foreign Exchange Gains	Exchange Rate	Net Foreign Exchange Losses
USD	31.430 (USD:NTD)	\$ 13,292	32.785 (USD:NTD)	\$ 5,610

### 35. SEPARATELY DISCLOSED ITEMS

- a. Information on significant transactions:
  - 1) Financing provided to others: Table 1 (attached)
  - 2) Endorsements/guarantees provided: Table 2 (attached)
  - 3) Significant marketable securities held (excluding investment in subsidiaries, associates and joint controlled entities): Table 3 (attached)
  - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 4 (attached)
  - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None
- b. Information on investees: Table 5 (attached)
- c. Information on investments in mainland China
  - 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 6 (attached)
  - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses:
    - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year: Table 7 (attached)
    - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year: Table 7 (attached)
    - c) The amount of property transactions and the amount of the resultant gains or losses: None
    - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes: Table 2 (attached)
    - e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to financing of funds: None
    - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services: None

## NICHIDENBO CORPORATION

FINANCING PROVIDED TO OTHERS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Year	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits
													Item	Value		
0	Nichidenbo Corporation	Scope Technology Co., Ltd.	Other receivables from related parties	Yes	\$ 300,000	\$ -	\$ -	-	b	\$ -	Operational needs	\$ -	-	\$ -	\$ 4,144,498 (Note 1)	\$ 5,525,997 (Note 1)
		Lipers Enterprise Co., Ltd.	Other receivables from related parties	Yes	300,000	-	-	-	b	-	Operational needs	-	-	-	4,144,498 (Note 1)	5,525,997 (Note 1)
		Koho (Taiwan) Co., Ltd.	Other receivables from related parties	Yes	80,000	-	-	-	b	-	Operational needs	-	-	-	4,144,498 (Note 1)	5,525,997 (Note 1)

Note 1: Aggregate financing limits should not exceed 40% of Nichidenbo Corporation's net worth. The limit of short-term financing for each counterparty should not exceed 30% of Nichidenbo Corporation's net worth as shown in the audited financial statements for the year ended 2025.

Note 2: Reasons for the nature of financing are as follows:

- a. Business relationship.
- b. Necessity of short-term financing.

**NICHIDENBO CORPORATION**

**ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Year	Outstanding Endorsement/ Guarantee at the End of the Year	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 3)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship (Note 1)										
0	Nichidenbo Corporation	Koho (Taiwan) Co., Ltd.	b	\$ 20,722,491	\$ 130,000	\$ 130,000	\$ 130,000	\$ -	0.94	\$ 41,444,982	Y	N	N

Note 1: Relationship between the endorser/guarantor and the endorsee/guarantee is classified as follows:

- a. Having a business relationship.
- b. The endorser/guarantor directly or indirectly owns more than 50% of the ordinary shares of the endorsee/guarantee.
- c. The endorsee/guarantee directly or indirectly owns more than 50% of the ordinary shares of the endorser/guarantor.
- d. Company in which the public company directly or indirectly holds 90% or more of the voting shares may make endorsements/guarantees for each other.
- e. Due to joint venture, all shareholders provide endorsements/guarantees to the endorsee/guarantee in proportion to its ownership.
- f. Where a public company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or joint builders for the purposes of undertaking a construction project.
- g. Where companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 2: The aggregate limits on endorsements/guarantees given by Nichidenbo Corporation should not exceed 300% of the Company's net equity as shown in the audited parent company only financial statements for the year ended 2025; the individual limit on endorsement/guarantee given by Nichidenbo Corporation should not exceed 150% of the Company's net equity as shown in the audited parent company only financial statements for the year ended 2025.

Note 3: The ratio of the outstanding endorsement/Guarantee to the net value of the Company providing guarantees or endorsements.

**NICHIDENBO CORPORATION**

**SIGNIFICANT MARKETABLE SECURITIES HELD**

**DECEMBER 31, 2025**

**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Holding Company	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Shares/Units	Carrying Amount	Percentage of Ownership	Fair Value	
Nichidenbo Corporation	<u>Shares</u> WT Microelectronics Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	58,428,000	\$ 8,004,636	4.18	\$ 8,004,636	

Note 1: This table presents the marketable securities that Nichidenbo Corporation has determined that should be disclosed based on the principle of materiality.

Note 2: Refer to Tables 5 and 6 for information relating to investments in subsidiaries.

**NICHIDENBO CORPORATION**

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Term	Unit Price	Payment Term	Ending Balance	% of Total	
Nichidenbo Corporation	Advance Electronic Supply Inc.	Subsidiary	Purchase	\$ 196,819	8.78	Net 90 days from the end of the month	\$ -	-	\$ (69,035)	(17.60)	

## NICHIDENBO CORPORATION

INFORMATION ON INVESTEEES  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Business and Product	Original Investment Amount		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2025	December 31, 2024	Number of Shares	%	Carrying Value			
Nichidenbo Corporation	Vic-Dawn Enterprise Co., Ltd.	Xindian District, New Taipei City	Sales and marketing of electronic components	\$ 187,646	\$ 187,646	14,296,603	95.31	\$ 340,044	\$ 107,723	\$ 102,646 (Note 1)	Subsidiary
	Nichidenbo (Mauritius) Ltd.	Mauritius	Investment activities	154,382	154,382	5,050,000	100.00	496,528	28,831	28,831	Subsidiary
	Lipers Enterprise Co., Ltd.	Xindian District, New Taipei City	Sales and marketing of electronic components	729,615	729,615	31,788,710	99.34	751,110	163,498	161,100 (Note 2)	Subsidiary
	Scope Technology Co., Ltd.	Xindian District, New Taipei City	Sales and marketing of electronic components	814,502	814,502	53,016,276	100.00	1,336,456	383,941	383,658 (Note 1)	Subsidiary
	Advance Electronic Supply Inc.	Xindian District, New Taipei City	Sales and marketing of electronic components	383,887	383,887	37,224,808	100.00	636,117	159,610	156,207 (Note 1)	Subsidiary
	Tonsam Corporation	Xindian District, New Taipei City	Sales and marketing of electronic components	358,430	358,430	15,000,000	100.00	292,744	20,085	20,061 (Note 2)	Subsidiary
	Lipers (Hong Kong) Enterprise Co., Ltd.	Hong Kong	Sales and marketing of electronic components	140,373	140,373	11,000,000	100.00	135,872	20,470	20,470	Subsidiary
	Koho (Taiwan) Co., Ltd	Xindian District, New Taipei City	Sales and marketing of electronic components	81,600	81,600	5,100,000	85.00	203,775	113,124	93,489 (Note 2)	Subsidiary
Concord Advanced Technology Co., Ltd.	Zhonghe District, New Taipei City	Sales and marketing of electronic components	302,355	302,355	21,932,212	20.56	487,650	231,654	47,254 (Note 3)	Associate	

Note 1: The difference between an investee's net income in the Corporation's share and share of profits was a unrealized gross margin from upstream transactions.

Note 2: The difference between an investee's net income in the Corporation's share and share of profits was amortization of excess of fair value over carrying amount of investee's assets and unrealized gross margin from upstream transactions.

Note 3: The difference between an investee's net income in the Corporation's share and share of profits was a amortization of excess of fair value over carrying value of investee's assets.

Note 4: Refer to Table 6 for information relating to investments in mainland China.

## NICHIDENBO CORPORATION

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 4)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of December 31, 2025 (Note 1)	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outward	Inward						
Nichidenbo (Shenzhen) Trading Co., Ltd.	Sales and marketing of electronic components	\$ 90,499 (US\$ 2,744 thousand and HK\$ 2,000 thousand)	Invested by Nichidenbo (Mauritius) Ltd.	\$ 90,499	\$ -	\$ -	\$ 90,499	\$ 25,612	100	\$ 25,612	\$ 317,146	\$ 154,755
Nichidenbo Suzhou Trading Co., Ltd. (Note 3)	Sales and marketing of electronic components	101,712 (US\$ 3,396 thousand)	Invested by Nichidenbo (Mauritius) Ltd.	59,900	-	-	59,900	3,342	100	3,342	177,030	4,475
Lipers Electronic (SZ) Co., Ltd.	Sales and marketing of electronic components	29,385 (US\$ 1,000 thousand)	Invested by Lipers (Hong Kong) Enterprise Co., Ltd.	61,911	-	-	61,911	21,645	100	21,645	122,881	76,187

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2025	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
\$212,310 (HK\$2,000 thousand, US\$4,744 thousand and NT\$61,911 thousand)	\$254,122 (HK\$2,000 thousand, US\$6,140 thousand and NT\$61,911 thousand)	\$8,322,309 (Note 2)

Note 1: The investment gain (loss) and carrying amount as of December 31, 2025 are recognized based on the audited parent company only financial statements.

Note 2: The upper limit on investment in mainland China is determined by sixty percent (60%) of the Company's consolidated net worth.

Note 3: The \$59,900 thousand (US\$2,000 thousand) among paid-in capital of Nichidenbo Suzhou Trading Co., Ltd. was shift in invested through third area to mainland China from Taiwan output, remaining of paid-in capital was indirectly invested by retained earnings of Nichidenbo (Mauritius) Ltd., which was received from Nichidenbo Shanghai Trading Co., Ltd.

Note 4: Total amount of paid-in capital was translated into NTD at historical rate.

**NICHIDENBO CORPORATION**

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE YEAR ENDED DECEMBER 31, 2025**  
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investee Company	Transaction Type	Purchase/Sale		Price	Transaction Details			Trade Receivable		Unrealized (Gain) Loss	Note
		Amount	%		Payment Term	Comparison with Normal Transactions	Ending Balance	%			
Lipers Electronic (SZ) Co., Ltd.	Sale	\$ 31,656	1.18	Internal transfer pricing	Net 90 days from the end of the month	At arm's length	\$ 4,660	0.47	\$ (268)		

Note: The disclosure standard is \$10,000 thousand for significant transactions with investee Company in Mainland China that directly or indirectly involve third parties.

# NICHIDENBO CORPORATION

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**NICHIDENBO CORPORATION****STATEMENT OF CASH AND CASH EQUIVALENTS****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

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<b>Item</b>	<b>Period</b>	<b>Rate (%)</b>	<b>Amount</b>
Cash on hand			\$ <u>261</u>
Cash in banks			
Demand deposits			44,799
Foreign currency deposits (Note 1)			<u>22,947</u>
			<u>67,746</u>
Cash equivalents			
Time deposits	2025.10.28-2026.03.26	1.56-1.65	630,000
Foreign currency time deposits (Note 2)	2025.10.30-2026.02.05	0.68-0.81	15,376
Commercial paper	2025.12.26-2026.01.23	1.07	<u>33,000</u>
			<u>678,376</u>
			<u>\$ 746,383</u>

Note 1: Including US\$719 thousand @31.430, RMB16 thousand @4.496 and HK\$52 thousand @4.038.

Note 2: Including HK\$3,420 thousand @4.496.

**NICHIDENBO CORPORATION****STATEMENT OF TRADE RECEIVABLES****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

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<b>Client Name</b>	<b>Description (Note 1)</b>	<b>Amount</b>
Client A	US\$4,513 thousand	\$ 141,848
Client B	US\$3,898 thousand	122,528
Client C	US\$1,528 thousand	48,033
Client D	US\$1,523 thousand	47,877
Others (Note 2)		<u>591,535</u>
		951,821
Less: Allowance for impairment loss		<u>4,759</u>
		<u>\$ 947,062</u>

Note 1: US\$1=NT\$31.43.

Note 2: The amount of individual client does not exceed 5% of the account balance.

**NICHIDENBO CORPORATION**

**STATEMENT OF INVENTORIES**

**DECEMBER 31, 2025**

**(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Amount</b>	
	<b>Cost</b>	<b>Net Realizable Value</b>
Merchandise	<u>\$ 374,870</u>	<u>\$ 434,440</u>

## NICHIDENBO CORPORATION

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT FLUCTUATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investees	Balance, January 1, 2025		Additions		Decrease		Others (Note)	Balance, December 31, 2025		Collateral	Note
	Shares	Fair Value	Shares	Amount	Shares	Amount		Shares	Fair Value		
Domestic listed shares											
WT Microelectronics Co., Ltd.	11,000,000	<u>\$ 1,210,000</u>	47,428,000	<u>\$ 6,782,204</u>	-	<u>\$ -</u>	<u>\$ 12,432</u>	58,428,000	<u>\$ 8,004,636</u>	None	

Note: The amount of unrealized valuation gain on financial assets at fair value through other comprehensive income.

## NICHIDENBO CORPORATION

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD  
 FOR THE YEAR ENDED DECEMBER 31, 2025  
 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investees	Changes of the Year										Net Assets Value	Collateral
	Balance, January 1, 2025		Share of Profit of Subsidiaries and Associate	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Loss on Financial Assets at FVTOCI	Remeasure of Defined Benefit Plans	Others (Note 1)	Balance, December 31, 2025				
	Shares	Amount						Shares	%	Amount		
Scope Technology Co., Ltd.	53,016,276	\$ 1,120,485	\$ 383,658	\$ -	\$ -	\$ -	\$ (167,687)	53,016,276	100.00	\$ 1,336,456	\$ 1,337,303	None
Lipers Enterprise Co., Ltd.	31,788,710	704,191	161,100	-	22,177	368	(136,726)	31,788,710	99.34	751,110	647,506	None
Advance Electronic Supply Inc.	37,224,808	631,684	156,207	-	-	-	(151,774)	37,224,808	100.00	636,117	640,213	None
Nichidenbo (Mauritius) Ltd.	5,050,000	462,930	28,831	3,030	-	-	1,737	5,050,000	100.00	496,528	496,722	None
Vic-Dawn Enterprise Co., Ltd.	14,296,603	332,723	102,646	-	-	87	(95,412)	14,296,603	95.31	340,044	340,099	None
Tonsam Corporation	15,000,000	288,435	20,061	-	-	69	(15,821)	15,000,000	100.00	292,744	197,102	None
Koho (Taiwan) Co., Ltd.	5,100,000	171,967	93,489	-	-	7	(61,688)	5,100,000	85.00	203,775	168,255	None
Lipers (Hong Kong) Enterprise Co., Ltd.	11,000,000	114,215	20,470	577	-	-	610	11,000,000	100.00	135,872	136,140	None
Concord Advanced Technology Co., Ltd.	21,932,212	488,647	47,254	-	-	-	(48,251)	21,932,212	20.56	487,650	304,530	None
		<u>\$ 4,315,277</u>	<u>\$ 1,013,716</u>	<u>\$ 3,607</u>	<u>\$ 22,177</u>	<u>\$ 531</u>	<u>\$ (675,012)</u>			<u>\$ 4,680,296</u>		

Note 1: Others includes other changes in capital surplus of the investee, capital surplus in employee restricted shares acquired by employees of the investee gross margin from downstream and cash dividends paid by the investee.

Note 2: The difference between the carrying amount and an investee's net asset values at the end of the year that the fair value of the investee's assets was higher than the carrying amount, and unrealized gross margin resulted from downstream and upstream transactions.

## NICHIDENBO CORPORATION

STATEMENT OF SHORT-TERM BORROWINGS  
DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

	Contract Period	Interest Rate (%)	Description (Note)	Amount	Loan Commitments	Collateral
Unsecured loans						
Cathay Bank	2025.09.26-2026.02.13	4.34000	US\$1,601 thousand	\$ 50,327	\$ 200,000	None
Cathay Bank	2025.10.29-2026.04.27	4.20000	US\$1,342 thousand	42,181	200,000	None
Chang Hwa Commercial Bank	2025.10.29-2026.02.26	4.49974	US\$1,297 thousand	40,769	200,000	None
First Commercial Bank	2025.10.31-2026.04.29	4.45100	US\$1,826 thousand	57,376	350,000	None
Land Bank	2025.10.31-2026.04.29	4.45040	US\$1,581 thousand	49,688	200,000	None
First Commercial Bank	2025.11.28-2026.05.27	4.46100	US\$1,200 thousand	37,716	350,000	None
Cathay Bank	2025.11.28-2026.05.27	4.25000	US\$1,109 thousand	34,864	200,000	None
Chang Hwa Commercial Bank	2025.11.28-2026.03.27	4.53150	US\$800 thousand	25,144	200,000	None
Chang Hwa Commercial Bank	2025.12.29-2026.04.28	4.47856	US\$1,198 thousand	37,655	200,000	None
Cathay Bank	2025.12.29-2026.06.26	4.17000	US\$1,446 thousand	45,432	200,000	None
E.Sun Commercial Bank,	2025.12.29-2026.06.26	4.36518	US\$490 thousand	15,396	100,000	None
First Commercial Bank	2025.12.31-2026.06.29	4.32400	US\$2,397 thousand	75,329	350,000	None
Bank of Taiwan	2025.12.31-2026.03.31	4.27070	US\$617 thousand	19,403	150,000	None
				<u>\$ 531,280</u>		

Note: US\$1=NT\$31.43.

**NICHIDENBO CORPORATION**

**STATEMENT OF TRADE PAYABLES**

**DECEMBER 31, 2025**

**(In Thousands of New Taiwan Dollars)**

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<b>Vendor Name</b>	<b>Amount</b>
Vendor A	\$ 181,068
Vendor B	113,524
Others (Note)	<u>3,768</u>
	<u>\$ 298,360</u>

Note: The amount of individual vendor included in others does not exceed 5% of the account balance.

**NICHIDENBO CORPORATION**

**STATEMENT OF OPERATING REVENUE**

**FOR THE YEAR ENDED DECEMBER 31, 2025**

**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

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<b>Item</b>	<b>Quality (In Thousands of Units)</b>	<b>Amount</b>
Operating revenue - capacitor	802,343	\$ 2,510,446
Operating revenue - other		<u>185,902</u>
Total revenue		2,696,348
Less: Sales return	2,199	7,485
Sales allowance		<u>9,558</u>
Net revenue		<u>\$ 2,679,305</u>

**NICHIDENBO CORPORATION****STATEMENT OF OPERATING COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Amount</b>
Balance at beginning of year	\$ 329,105
Add: Merchandise purchased	2,241,575
Less: Transferred to expenses	839
Loss on physical inventory	10
Others	2,049
Balance at the end of year	<u>385,344</u>
	2,182,438
Add: Loss on physical inventory	10
Loss on net realizable value of inventories	<u>913</u>
Cost of goods sold	<u>\$ 2,183,361</u>

**NICHIDENBO CORPORATION****STATEMENT OF OPERATING EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Selling and Marketing Expenses</b>	<b>General and Administrative Expenses</b>	<b>Expected Credit Loss</b>	<b>Total</b>
Payroll expense	\$ 93,329	\$ 107,228	\$ -	\$ 200,557
Export expense	30,450	-	-	30,450
Insurance expense	10,520	8,146	-	18,666
Depreciation expense	11,448	2,576	-	14,024
Professional service fees	3,435	11,227	-	14,662
Expected credit loss	-	-	1,699	1,699
Others (Note)	<u>47,653</u>	<u>31,030</u>	<u>-</u>	<u>78,683</u>
	<u>\$ 196,835</u>	<u>\$ 160,207</u>	<u>\$ 1,699</u>	<u>\$ 358,741</u>

Note: The amount of each item in others does not exceed 5% of the account balance.

## NICHIDENBO CORPORATION

STATEMENT OF LABOR, DEPRECIATION AND AMORTIZATION BY FUNCTION  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024  
(In Thousands of New Taiwan Dollars)

	2025				2024			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Expenses	Total
Employee benefit expenses								
Salary expenses	\$ -	\$ 159,968	\$ -	\$ 159,968	\$ -	\$ 110,305	\$ -	\$ 110,305
Salary expenses - equity-settled	-	16,022	-	16,022	-	18,752	-	18,752
Labor and health insurance	-	15,528	-	15,528	-	13,291	-	13,291
Pension	-	6,822	-	6,822	-	6,432	-	6,432
Remuneration to directors	-	24,567	-	24,567	-	19,438	-	19,438
Others	-	7,448	-	7,448	-	6,059	-	6,059
	<u>\$ -</u>	<u>\$ 230,355</u>	<u>\$ -</u>	<u>\$ 230,355</u>	<u>\$ -</u>	<u>\$ 174,277</u>	<u>\$ -</u>	<u>\$ 174,277</u>
Depreciation	<u>\$ -</u>	<u>\$ 14,024</u>	<u>\$ 679</u>	<u>\$ 14,703</u>	<u>\$ -</u>	<u>\$ 3,945</u>	<u>\$ 670</u>	<u>\$ 4,615</u>
Amortization	<u>\$ -</u>	<u>\$ 763</u>	<u>\$ -</u>	<u>\$ 763</u>	<u>\$ -</u>	<u>\$ 601</u>	<u>\$ -</u>	<u>\$ 601</u>

## Note:

1. As of December 31, 2025 and 2024, the number of employees of the Company were 169 and 159, respectively. There were both 5 non-employee directors.
2. Companies with shares issued in Taiwan Stock Exchange Corporation should disclose the following information.
  - a. Average employee benefit expenses for the years ended December 31, 2025 and 2024 were \$1,255 thousand and \$1,005 thousand, respectively.
  - b. Average salary expenses for the years ended December 31, 2025 and 2024 were \$1,073 thousand and \$838 thousand, respectively.
  - c. The percentage of changes in the average salary expenses was 28.04% increase.
  - d. Remuneration to directors includes salary expenses and traffic allowance is based on industry practice. The traffic allowance is paid by actual attendance. According to the Company's Articles, if the Company made a profit in a fiscal year, no higher than 3% of it shall be appropriated as directors' remuneration, which shall be recommended by the Compensation Committee based on its overall consideration of the extent of a director's participation in the Company's operations and evaluation of the director's performance, and the recommendation is submitted to the board of directors for approval and implementation.

The compensation policy for executive officers and employees includes salary, bonus and compensation of employees based on industry practice, and an evaluation of the reasonable correlation between the employee's performance and the Company's financial position and future risk exposures. According to the Company's Articles, if the Company makes a profit in a fiscal year, the Company accrues remuneration of directors, which will be paid under the approval of the Company's board of directors at rates no less than 5% of the Company's profit (the amount of employee remuneration under this item shall allocate no less than fifteen percent as compensation distributed to entry-level employees). The compensations to executive officers are submitted to the Compensation Committee and are submitted to the Board of Directors for approval.