

WT Microelectronics Co., Ltd.

(incorporated as a company limited by shares in Taiwan, the Republic of China)

US$500,000,000 Currency-Linked Zero Coupon Convertible Bonds due 2027

WT Microelectronics Co., Ltd. (the "**Company**," the "**Issuer**," and together with its subsidiaries, the "**Group**", or, to the extent applicable, "we", "us", "our") is offering US$500,000,000 aggregate principal amount of currency-linked US dollar denominated zero coupon convertible bonds due 2027 (the "**Bonds**"), through Citigroup Global Markets Limited and DBS Bank Ltd. (the "**Initial Purchasers**").

The Bonds will be direct, unconditional, unsubordinated and unsecured obligations of the Company, and will rank *pari passu* without any preference or priority among themselves and with all of the Company's other present and future direct, unconditional, unsubordinated and unsecured obligations, except as otherwise provided herein. Unless the Bonds have been previously redeemed, repurchased and cancelled or converted, the Company will redeem the Bonds at the Settlement Equivalent (as defined herein) of 100.00% of the outstanding principal amount thereof at maturity. The Bonds will not bear any interest.

The Bonds will be convertible into common shares of the Company, par value NT$10.00 per share (the "**Common Shares**" or "**Shares**"), during the period from and including December 9, 2026 to and including May 29, 2027 (subject to certain restrictions) at a conversion price which will initially be NT$224.54 per Share (subject to adjustment as set forth in "**Description of the Bonds — Conversion — Adjustments to the Conversion Price**") determined on the basis of a fixed exchange rate of NT$31.604 = US$1.00 applicable on conversion of the Bonds. The Common Shares are currently listed under the trading code "3036" on the Taiwan Stock Exchange (the "**TWSE**") in the Republic of China (the "**ROC**") and application will be made to list the Common Shares issued on conversion of the Bonds on the TWSE. The closing sale price per Share on the TWSE on September 1, 2026 was NT$196.00 (equivalent to US$6.20 at the exchange rate of NT$31.604 to US$1.00 based on the Taipei Forex Inc. Taiwan Dollar 11:00 a.m. Fixing rate on September 1, 2026). See "Risk Factors — Risks Relating to Ownership of the Bonds and the Common Shares."

At any time after December 8, 2026 by giving the requisite notice (which notice shall be irrevocable and, for the avoidance of doubt, may only be served by the Company after December 8, 2026), the Company may redeem the Bonds, in whole or in part, at the Settlement Equivalent (as defined herein) of the Early Redemption Amount (as defined herein), if the Closing Price (as defined herein) of the Common Shares for 20 out of 30 consecutive Trading Days (as defined herein) immediately prior to the date upon which notice of such redemption is given, is at least 120% of the quotient of the Early Redemption Amount divided by US$200,000, and then multiplied by the Conversion Price (as defined herein). In addition, the Company may, at its option and by giving the requisite notice, redeem the Bonds then outstanding, in whole but not in part, at the Settlement Equivalent of the Early Redemption Amount if (i) more than 90% in principal amount of the Bonds originally issued has been redeemed, repurchased and canceled or converted or (ii) the Company becomes obligated to pay Additional Amounts (as defined herein) as a result of certain changes in the tax laws of the ROC occurring on or after the Closing Date, which is expected to be on September 8, 2026.

You may require the Company to repurchase the Bonds, in whole or in part (being US$200,000 in principal amount or integral multiple thereof), at the Settlement Equivalent of the Early Redemption Amount, if the Common Shares cease to be listed or admitted to trading on the TWSE or there is a Change of Control (as defined herein).

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of the Bonds on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained in this Offering Circular (this "**Offering Circular**"). Approval in-principle for the listing of the Bonds is not to be taken as an indication of the merits of this offering (the "**Offering**"), the Company, the Group, its subsidiaries, or any of their associated companies or the Bonds.

Prior to this Offering, there has been no market anywhere for the Bonds, or any market outside Taiwan for the Common Shares.

Investing in and holding the Bonds involve a high degree of risk. See "Risk Factors" beginning on page 11 for a discussion of certain factors to be considered in connection with an investment in, and the holding of, the Bonds.

The Bonds and the Common Shares to be issued upon conversion of the Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or any state securities laws. The Bonds are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the Securities Act ("**Regulation S**"). The Bonds are sold subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and the applicable securities laws of any state or other jurisdiction pursuant to registration thereunder or exemption from registration. As a prospective purchaser, you should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. The Bonds are not being directly or indirectly offered in the ROC. See "Transfer Restrictions" and "Plan of Distribution."

The Bonds will be represented by beneficial interests in one or more global bonds registered in the name of Citivic Nominees Limited as nominee for the common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**"). Except as described herein, beneficial interests in the global bonds will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream and their participants. The Initial Purchasers expect to deliver the Bonds to purchasers accounts on or about September 8, 2026.

Bonds Issue Price: 100%

Sole Global Coordinator

citi

Joint Bookrunners

citi DBS

Offering Circular dated September 1, 2026

You should rely only on the information contained in this Offering Circular. Neither the Company, the Initial Purchasers, the Trustee, the Agents, nor any of its or their respective directors, officers, employees, representatives, agents, advisers or affiliates, nor any person who controls any of them, has authorized anyone to provide you with different information. Neither the Company, the Initial Purchasers, the Trustee, the Agents, nor any of its or their respective directors, officers, employees, representatives, agents, advisers or affiliates, nor any person who controls any of them, is making an offer of these securities in any state or jurisdiction where the offer is not permitted. This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities to which it relates or an offer to sell or the solicitation of an offer to buy such securities by any person in any circumstances in which such offer or solicitation is unlawful. You should not assume that the information contained in this Offering Circular is accurate as of any date other than the date of this Offering Circular. The Company's business, financial condition, results of operations and prospects may have changed since that date.

Except as described below, the Company accepts responsibility for the information contained in this Offering Circular. The Company, having made all reasonable enquiries, confirm that this Offering Circular contains all information with respect to the Company, its consolidated subsidiaries, the Bonds and the Common Shares to be delivered upon conversion of the Bonds that is material in the context of the issue and offering of the Bonds, that the information contained in this Offering Circular is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Offering Circular are honestly held and have been reached after considering all relevant circumstances and are based on reasonable assumptions, that there are no other facts, the omission of which would, in the context of the issue and offering of the Bonds, make this Offering Circular as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respects and that all reasonable enquiries have been made by the Company to verify the accuracy of such information and that this Offering Circular does not contain an untrue statement of a material fact or omit to state a material fact required to be stated or necessary in order to make the statements, in the light of the circumstances under which they are made, not misleading. The information contained in the sections entitled "Appendix A: The Securities Markets of the ROC" and "Appendix B: Foreign Investment and Exchange Controls in the ROC" has been extracted from publicly available resources. However, such information has not been verified by the Company, the Initial Purchasers, the Trustee, the Agents, or any of the Company's, the Initial Purchasers', the Trustee's or the Agents' respective affiliates or advisors in connection with this Offering.

The distribution of this Offering Circular and the offering and sale of the Bonds, in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Company and the Initial Purchasers to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on the offering and sale of the Bonds, and distribution of this Offering Circular, see "Plan of Distribution" and "Transfer Restrictions." This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Company, the Initial Purchasers, the Trustee, the Agents, or any of its or their respective directors, officers, employees, representatives, agents, advisers or affiliates, or any person who controls any of them, to subscribe for or purchase any of the Bonds in any jurisdiction in which such offer or invitation would be unlawful. This Offering Circular may be used only for the purposes for which it has been published.

In making an investment decision regarding the Bonds, you must rely on your own examination of our Company and the terms of the Bonds and this Offering, including the merits and risks involved. The contents of this Offering Circular are not to be considered as legal, business, financial or tax advice. You should consult your own counsel, accountants and other advisors as to legal, tax, business, financial and related aspects with respect to the purchase of the Bonds. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted, by the Initial Purchasers, the Trustee or the Agents or any of its or their respective directors, officers, employees, representatives, agents, advisers or affiliates, or any person who controls any of them, as to the accuracy or completeness of the information contained in this Offering Circular or any other information supplied in connection with our Company, the issue and offering of the Bonds or the Shares. To the fullest extent permitted by law, none of the Initial Purchasers, the Trustee or the Agents or any of its or their respective directors, officers, employees, representatives, agents, advisers or affiliates, or any person who controls any of them accept any responsibility for the contents of this Offering Circular or for any other statement, made or purported to be made by the Initial Purchasers, the Trustee or the Agents or on their behalf in connection with our Company, the issue and offering of the Bonds or the Shares. The Initial Purchasers, the Trustee or the Agents accordingly disclaim any and all liabilities against it or any of its or their respective directors, officers, employees, representatives, agents, advisers or affiliates, or any person who controls any of them, whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement.

Important Notice to Prospective Investors

Prospective investors should be aware that certain intermediaries in the context of this Offering of the Bonds, including Citigroup Global Markets Limited and DBS Bank Ltd. (the "**Initial Purchasers**"), are "capital market intermediaries" ("**CMIs**") subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "**Code**"). This notice to prospective investors is a summary of certain obligations the Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as "overall coordinators" ("**OCs**") for this Offering and are subject to additional requirements under the Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the Code as having an association ("**Association**") with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the Bonds and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with the Initial Purchasers, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Initial Purchasers or its group company has more than 50% interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to this Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a "proprietary order". If a prospective investor is otherwise affiliated with the Initial Purchasers, such that its order may be considered to be a "proprietary order" (pursuant to the Code), such prospective investor should indicate to the Initial Purchasers when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to this Offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to this Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private bank(s) which acts as a CMI in connection with this Offering ("**Private Banks**")) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Initial Purchasers and/or any other third parties as may be required by the Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the Code, it being understood and agreed that such information shall only be used for the purpose of complying with the Code, during the bookbuilding process for this Offering. Failure to provide such information may result in that order being rejected.

PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Bonds are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means

a person who is one (or both) of the following: (i) (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (the "**POATRs**"). Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling, or distributing the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

In addition, prospective investors should be aware that this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at: (i) in the UK, persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), and/or high net-worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order; and (ii) persons who are outside the UK (all such persons together being referred to as "**relevant persons**"). This document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to, and will be engaged in only with, relevant persons.

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PRESENTATION OF INFORMATION

The references to the "Company", the "Issuer" or "WT Microelectronics" in this Offering Circular refer to WT Microelectronics Co., Ltd., and references to "we," "us" and "our" in this Offering Circular refer to WT Microelectronics Co., Ltd. or WT Microelectronics Co., Ltd. and its subsidiaries, as the context requires, unless specifically indicated. The references to "Shares" or "Common Shares" refer to the common shares of the Company, par value NT$10 per common share. The references to "Preferred Shares" refer to the preferred shares of the Company, par value NT$10 per preferred share, if any. The references to "Taiwan" and "ROC" refer to Taiwan, the Republic of China. The references to "PRC" and "China" refer to the People's Republic of China. The references to the "ROC Company Act" refer to the Company Act of the ROC. The references to "FSC" refer to the Financial Supervisory Commission of the ROC. The references to "MOEA" refer to the Ministry of Economic Affairs of the ROC. The references to "DIR" refer to the Department of Investment Review, Ministry of Economic Affairs of the ROC (which was previously named Investment Commission of the Ministry of Economic Affairs). The references to "TWSE" refer to the Taiwan Stock Exchange Corporation. "PRC person" means (A) an individual holding a passport issued by the PRC or PRC residence registration (including an individual who previously held a PRC passport or PRC residence registration but has given up his or her PRC citizenship and converted to the citizenship of another jurisdiction for less than 4 years or has not stayed outside the PRC for a period of over 4 years, but not including a resident in a special administrative region of the PRC such as Hong Kong and Macau, if so excluded by applicable laws of Taiwan); (B) any agency or instrumentality of the PRC or any corporation, partnership or other entity of any area of the PRC under the effective control or jurisdiction of the PRC (but not including a special administrative region of the PRC such as Hong Kong or Macau, if so excluded by applicable laws of the ROC); or (C) any corporation, partnership or other entity organized under the laws of any other jurisdiction outside of the PRC that either (i) is directly or indirectly controlled by, or (ii) has more than 30 percent of its capital directly or indirectly owned by, or beneficially owned by any such person referred to in (A) or (B).

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Unless expressly stated otherwise, all financial information, description and other information regarding our financial condition and results of operations as of and for the years ended December 31, 2023, 2024 and 2025 and as of and for the six months ended June 30, 2025 and 2026 included in this Offering Circular are presented on a consolidated basis. We prepared our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC interpretations that came into effect as endorsed by the Financial Supervisory Commission, ROC (the "**FSC**") (together referred to herein as "**T-IFRS**", which differs from U.S. GAAP, IFRS or the generally accepted accounting principles of certain other countries). Potential investors should seek professional advice with respect to such differences from generally accepted accounting principles. Our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 have been audited by the independent auditors and included elsewhere in this Offering Circular. The independent auditors' reports of PricewaterhouseCoopers, Taiwan, dated February 25, 2025, relating to the audited consolidated financial statements as of and for the years ended December 31, 2023 and 2024, state that in 2023, certain consolidated subsidiaries were audited by other independent auditors and their opinion expressed herein, insofar as it relates to the amounts included in the consolidated financial statements relative to these consolidated subsidiaries was based solely on the reports of other independent auditors. We prepared our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standards (the "**IAS**") 34 "Interim Financial Reporting" that came into effect as endorsed by the FSC. Our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026 have been reviewed by the independent auditors and included elsewhere in this Offering Circular. The Company's unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026 should

not be taken as an indication of the expected consolidated financial position and performance of the Company for the full financial year ending December 31, 2026.

The financial statements of the Company are published in New Taiwan dollars, the lawful currency of the ROC. All references to "United States dollars," "US dollars" and "US$" are to United States dollars, all references to "New Taiwan dollars," "NT dollars" and "NT$" are to New Taiwan dollars. Unless otherwise noted, all translations from NT dollars to US dollars were made at the exchange rate as set forth in the H.10 statistical release of the Federal Reserve Board (the "**Noon Buying Rate**") as of June 30, 2026, which was NT$31.85 = US$1.00. All amounts translated into US dollars in this Offering Circular have not been audited or reviewed by the independent auditors and are provided solely for your convenience and no representation is made that the NT dollar or US dollar amounts referred to herein could have been or could be converted into US dollars or NT dollars, as the case may be, at any particular rate or at all.

In this Offering Circular, where information has been presented in thousands, millions or billions of units, amounts may have been rounded according to established commercial standards. As a result, rounded figures in the tables below may not add up to the aggregate amounts in such tables.

We have compiled all industry and market information and statistics contained in this Offering Circular from various published and private sources, which may be inconsistent with other information compiled elsewhere. As far as we are aware and are able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, neither we, nor the Initial Purchasers, have independently verified the accuracy of any of such information. In this Offering Circular, unless otherwise specified or the context otherwise requires, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

We have made forward-looking statements in this Offering Circular. The words "believe," "expect," "anticipate," "estimate," "project," "intend," "plan," "seek" and similar words identify forward-looking statements. In addition, all statements other than statements of historical fact included in this Offering Circular are forward-looking statements. Our forward-looking statements contain information regarding:

- our future revenue and profitability;
- our business strategies;
- expected growth in demand for our products and services;
- the expected industry trends;
- our capital expenditure plans; and
- other matters discussed in this Offering Circular regarding matters that are not historical facts,

are only forecasts based on information currently available to us. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, these forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. These risks, uncertainties and other factors include, among others:

- the intensely competitive industries in which we operate;
- general economic, political and social conditions and developments in Taiwan, the PRC and other jurisdictions in which we operate our business;
- supply and demand for electronic components;
- market acceptance of our products and services;
- risks associated with the introduction of new products;
- changes in market prices for our products;
- our rate of growth and ability to meet the demands in relation to our growth;
- changes in the availability and prices of our supplies and equipment;
- our ability to meet financial and other covenants provided under our loan agreements;
- our continued ability to secure funding to meet our liquidity needs and investment objectives;
- legal proceedings; and
- other risks identified in the "Risk Factors" section of this Offering Circular.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give no assurance that such expectations will prove correct. We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In addition, any forward-looking statements are made only as at the date of this Offering Circular and we do not intend, and do not assume any obligation, to update forward-looking statements set forth in this Offering Circular. In light of the foregoing and the risks, uncertainties and assumptions in "Risk Factors" and elsewhere in this Offering Circular, the forward-looking events in this Offering Circular are not guarantees of future performance and might not occur and our actual results could differ materially from those anticipated in those forward-looking statements. You should interpret all subsequent written or oral forward-looking statements attributable to us or to persons acting on our behalf as being qualified by the cautionary statements in this Offering Circular. As a result, you should not place undue reliance on these forward-looking statements.

ENFORCEABILITY OF FOREIGN JUDGMENTS

The Company is a company limited by shares and incorporated under the ROC Company Act. Substantially all of its directors and executive officers and certain other parties named in this Offering Circular are residents of the ROC, and a significant portion of the Company's assets and these persons are located in the ROC. As a result, it may not be possible for you to effect service of process upon the Company or any of these persons outside of the ROC, or to enforce against any of them judgments obtained in courts outside of the ROC. The Company's ROC counsel has advised that any final and non-appealable judgment obtained against the Company or such persons in any court other than the courts of the ROC in respect of any legal suit or proceeding arising out of or relating to the Bonds or Common Shares to be issued upon conversion of the Bonds will be enforced by the courts of the ROC without further review of the merits only if the court of the ROC in which enforcement is sought is satisfied with the following:

- the court rendering the judgment has jurisdiction over the subject matter according to the laws of the ROC;
- the judgment and the court procedure resulting in the judgment are not contrary to the public order or good morals of the ROC;
- if the judgment was rendered by default by the court rendering the judgment, either (i) the Company or such persons were duly served within a reasonable period of time within the jurisdiction of such court in accordance with the laws and regulations of such jurisdiction, or (ii) process was duly served on the Company or such persons with judicial assistance of the ROC; and
- judgments of the courts of the ROC are recognized and enforceable in the jurisdiction of the court rendering the judgment on a reciprocal basis.

A foreign person seeking to enforce a foreign judgment in the ROC would, except under limited circumstances, be required to obtain foreign exchange approval from the Central Bank of the Republic of China (Taiwan) (the "**CBC**"), for the remittance out of the ROC of any amounts exceeding US$100,000 (or its equivalent) recovered in respect of that judgment. Notwithstanding the above, CBC may, depending on the economic and financial situation and the need to maintain the order of the foreign exchange market, require that certain conversions exceeding a certain amount per year should be subject to the foreign exchange approval from the CBC. See "Appendix B: Foreign Investment and Exchange Controls in the ROC."

SUMMARY

The following summary is qualified in its entirety by the more detailed information contained elsewhere in this Offering Circular. This summary may not contain all of the information you should consider before deciding to invest in the Bonds. We recommend that you read this Offering Circular carefully, including the audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 and as of and for the six months ended June 30, 2025 and 2026 and related notes which appear in the F-pages of this Offering Circular and "Risk Factors."

Overview

We are a world-leading electronic components distributor with cross-region end-to-end capabilities and a diversified geographic presence across Asia Pacific, the Americas and EMEA. According to Gartner®, we ranked first in the global semiconductor distribution market in terms of total revenue in 2025, achieving a market share of 15.1%[1].

Our mission is to deliver compelling services to help our partners succeed and hold ourselves accountable to our shareholders. We are committed to being the most trustworthy electronic components distributor, offering superior value-added services throughout the entire product lifecycle to our business partners.

As of the date of this Offering Circular, we partner with more than 400 suppliers across major technology segments to offer over 200,000 types of electronic components, serving over 20,000 customers in around 50 countries and regions with around 160 business sites in the world. We have historically excelled at customer engagement across Asia Pacific, characterized by our expertise in serving global or tier-1, large-scale, well-capitalized blue-chip Original Equipment Manufacturers ("**OEMs**"), Original Design Manufacturers ("**ODMs**") and Electronic Manufacturing Services ("**EMSs**") customers, as well as mass market customers.

Our product portfolio includes digital computing integrated circuit, application-specific standard product, analog, memories and others and services. Our products have a wide scope of applications, including datacenters and servers, industrial and instruments, automotive electronics, communications, consumer electronics, mobile phones and PCs and peripherals. In the AI era, our core strengths align perfectly with the growing need for robust computing infrastructure, the burgeoning adoption of on-device AI capabilities, and the pervasive digital transformation resulting from Industry 4.0. Following our acquisition of Future Electronics Inc. and its subsidiaries ("**Future**") (the "**Future Acquisition**"), we have enhanced our standing in the automotive electronics and industrial and instruments sectors which are known for their extended product lifecycles, with revenue from "Star Application" segments contributing approximately 71.5% of our revenue in 2025. We offer a comprehensive portfolio of products and applications and leverage our economies of scale to provide suppliers and customers with extensive value-added services, thereby establishing our position as the go-to partner for both upstream and downstream players.

The global electronic components industry, comprised of semiconductor and microcomponents, memory, discrete, optoelectronics, interconnect, passive and electromechanical ("**IP&E**"), has become more complex and highly specialized. There is strong demand for electronic components fueled by the megatrends of technology advancements such as AI and digitalization, as well as resuming semiconductor upcycle. The global semiconductor market is expected to grow from US$809 billion in 2025 to US$2,153 billion in 2030 at a CAGR of 21.6%, according to Gartner®[2]. On the other hand, IP&E market, the basic yet essential part of the electronic components market, is expected to grow from US$206 billion in 2025 to US$268 billion in 2030 at a CAGR of 5.4%, according to Precedence Research. Together, our addressable market represents a massive trillion dollar market opportunity. In addition to having a positive long-term outlook, the electronic components supply chain has become more diversified and complex driven by a wide variety of applications across different industries,

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[1] Gartner®, Market Share: Semiconductor Distributors, Worldwide, 2025, Masatsune Yamaji, 21 February 2026. Revenue basis. GARTNER is a trademark of Gartner, Inc. and its affiliates. Gartner does not endorse any company, vendor, product or service depicted in its publications, and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner publications consist of the opinions of Gartner's business and technology insights organization and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this publication, including any warranties of merchantability or fitness for a particular purpose. The Gartner content described herein (the "**Gartner Content**") represents research opinion or viewpoints published, as part of a syndicated subscription service, by Gartner, Inc. ("**Gartner**"), and is not a representation of fact. Gartner Content speaks as of its original publication date (and not as of the date of this Offering Circular), and the opinions expressed in the Gartner Content are subject to change without notice.

[2] Calculations performed by WT Microelectronics. Gartner®, Forecast: Semiconductors and Electronics, Worldwide, 2024-2030, 2Q26, Ben Lee et al., 26 June 2026. Revenue basis.

with a trend towards shortened product lifecycle and higher customization of products which make resources management and time efficiency the top priorities. To enable the electronic components supply chain to operate more efficiently, leading distributors such as us play an important role in providing comprehensive services along the whole value chain. We provide suppliers with extensive reach to a global customer base, strong demand creation services, superior market intelligence and intelligent supply chain solutions. And at the same time, we serve as a single access point to a wide range of product lines to our customers, equip them with product lifecycle management and reliable supply chain solutions, leading to shorter time-to-market. As such, the value that electronic components distributors such as us can provide is well recognized by suppliers and customers alike, making us an important strategic business partner. In line with the development of the global electronic components market, the global semiconductor distribution market grew rapidly from US$154 billion in 2020 to US$240 billion in 2025 at a CAGR of 9.3%[3].

The Company's operating revenue increased by 61.4% from NT$594,518.8 million in 2023 to NT$959,431.9 million in 2024, and further increased by 22.8% to NT$1,177,948.9 million (US$36,984.3 million) in 2025. The Company's operating revenue increased by 114.0% from NT$506,927.8 million for the six months ended June 30, 2025 to NT$1,084,966.6 million (US$34,064.9 million) for the six months ended June 30, 2026.

Our Competitive Strengths

- Leading global electronic components distributor
- Long-standing and trusted partner for suppliers
- Full customer coverage enabled by superior services
- Well-positioned to capture the secular, long-term growth in attractive end markets
- Successful track record and focus on sustainable development

Our Business Strategies

- Leverage global footprint to pursue high-quality and value-driven business
- Identify and invest in key strategic industries and continue to improve business mix
- Develop new business opportunities with existing and new partners to grow market share
- Continue building our core values and talent pool for sustainable business growth
- Selectively explore strategic investments or acquisitions
- Achieve healthy financial profile to maximize shareholder returns

Corporate and Other Information

We were established on December 23, 1993 under the name Serial Semiconductor Co., Ltd. under the ROC Company Act. After successive changes, our name changed to WT Microelectronics Co., Ltd. in 2007, which we are now known as. Our registered office address is at 14F., No. 738, Zhongzheng Rd., Zhonghe Dist., New Taipei City 235, Taiwan, Republic of China. Our Common Shares have been listed on the Taipei Exchange (over-the-counter market) in 2000 and on the TWSE since 2002 under the trading code "3036" (ISIN: TW0003036000). On September 1, 2026, the closing price of our Common Shares on the TWSE was NT$196.00 per share and our market capitalization was approximately NT$249.2 billion. Our website address is https://www.wtmec.com. The information on our website is not part of this Offering Circular.

[3] Calculations performed by WT Microelectronics. Gartner®, Market Share: Semiconductor Distributors, Worldwide, 2025, Masatsune Yamaji, 21 February 2026. (Revenue for 2020) Gartner®, Market Share: Semiconductor Distributors, Worldwide, 2020, Masatsune Yamaji, 2 March 2021 (This research provides a historical snapshot in time).

Recent Developments

Concurrent GDS Offering

Concurrent with this Offering, the Company is making an offering of 15,000,000 Global Depositary Shares (the "**GDSs**"), representing 75,000,000 new Common Shares, par value NT$10.00 per Share, through Citigroup Global Markets Limited as initial purchaser, in the United States in reliance on Rule 144A, and outside the United States in reliance on Regulation S under the U.S. Securities Act, pursuant to certain terms and conditions governing the GDSs. See "The Offering—Concurrent GDS Offering" for more information.

Recent Real Property Transactions

On August 6, 2026, the boards of directors of our company and of our subsidiary, Future Electronics Inc. (Distribution) Pte Ltd, each approved a real property transaction. Our subsidiary approved the acquisition of land use rights to a site located at Kaki Bukit Avenue 5, Singapore, with a total area of approximately 20,031 square meters for an aggregate consideration of up to SGD30.0 million, representing a one-time lump-sum premium for a 33-year lease term, for the purpose of constructing a warehouse and corporate office.

Separately, we approved the purchase of land located in the Daxin Section, Luzhu District, Taoyuan City, Taiwan, with a total area of approximately 14,649 square meters for an aggregate purchase price of NT$1,603.6 million, for the purpose of constructing a bonded logistics center.

July 2026 Financial Performance

As announced on the Market Observation Post System (the "**MOPS**") on the TWSE, our consolidated operating revenue for July 2026 was NT$183.0 billion. Such preliminary monthly revenue information is unaudited and is subject to, among other things, the completion of our financial closing procedures. Accordingly, our monthly results are not necessarily indicative of our results that may be expected for the full year 2026.

SUMMARY FINANCIAL INFORMATION

The following tables present our summary financial information. The summary financial information as of and for the years ended December 31, 2023, 2024 and 2025 set forth below has been derived from our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 included elsewhere in this Offering Circular and is qualified by reference to, and should be read in conjunction with, our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 included elsewhere in this Offering Circular. The summary financial information as of and for the six months ended June 30, 2025 and 2026 set forth below has been derived from our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026 included elsewhere in this Offering Circular and is qualified by reference to, and should be read in conjunction with, our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026 included elsewhere in this Offering Circular.

Our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 have been prepared and presented in accordance with T-IFRSs, which differs from U.S. GAAP, IFRS or the generally accepted accounting principles of certain other countries. For information relating to the nature and effect of certain differences between IFRS and T-IFRSs as they relate to us, see Note 3 to our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025, and as of and for the six months period ended June 30, 2025 and 2026 included elsewhere in this Offering Circular. Our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026 have been prepared and presented in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IAS34 "Interim Financial Reporting" that came into effect as endorsed by FSC. Our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 have been audited by the independent auditors and included elsewhere in this Offering Circular. Our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026 have been reviewed by our independent auditors and included elsewhere in this Offering Circular.

Summary Consolidated Statement of Comprehensive Income

	Year Ended December 31,							Six Months Ended June 30,				
	2023		2024		2025			2025		2026		
	NT$	*%*	*NT$*	*%*	*NT$*	*US$*	*%*	*NT$*	*%*	*NT$*	*US$*	*%*
					(in thousands, except percentages)							
	(Audited)		*(Audited)*		*(Audited)*	*(Unaudited)*				*(Unaudited)*		
Operating revenue	**594,518,813**	**100.0**	**959,431,897**	**100.0**	**1,177,948,907**	**36,984,267**	**100.0**	**506,927,807**	**100.0**	**1,084,966,618**	**34,064,886**	**100.0**
Operating costs	(576,112,549)	(96.9)	(921,829,827)	(96.1)	(1,130,325,080)	(35,489,014)	(96.0)	(484,389,284)	(95.6)	(1,047,780,275)	(32,897,340)	(96.6)
Gross profit	**18,406,264**	**3.1**	**37,602,070**	**3.9**	**47,623,827**	**1,495,253**	**4.0**	**22,538,523**	**4.4**	**37,186,343**	**1,167,546**	**3.4**
Operating expenses												
Selling expenses	(6,383,289)	(1.1)	(16,573,833)	(1.7)	(19,393,040)	(608,887)	(1.6)	(9,842,835)	(1.9)	(10,593,149)	(332,595)	(1.0)
General and administrative expenses	(3,059,840)	(0.5)	(4,815,204)	(0.5)	(5,898,175)	(185,186)	(0.5)	(2,816,459)	(0.6)	(3,102,117)	(97,398)	(0.3)
Research and development expenses	(755,450)	(0.1)	(850,587)	(0.1)	(810,436)	(25,445)	(0.1)	(403,332)	(0.1)	(357,549)	(11,226)	(0.0)
Impairment loss determined in accordance with IFRS 9	(7,762)	(0.0)	(98,126)	(0.0)	(639,996)	(20,094)	(0.0)	(245,029)	(0.0)	(196,106)	(6,157)	(0.0)
Total operating expenses	**(10,206,341)**	**(1.7)**	**(22,337,750)**	**(2.3)**	**(26,741,647)**	**(839,612)**	**(2.2)**	**(13,307,655)**	**(2.6)**	**(14,248,921)**	**(447,376)**	**(1.3)**
Operating profit	**8,199,923**	**1.4**	**15,264,320**	**1.6**	**20,882,180**	**655,641**	**1.8**	**9,230,868**	**1.8**	**22,937,422**	**720,170**	**2.1**
Non-operating income and expenses												
Interest income	151,614	0.0	829,108	0.1	762,233	23,932	0.0	355,682	0.1	529,481	16,624	0.0
Other income	594,130	0.1	492,507	0.0	866,572	27,208	0.1	346,259	0.1	310,728	9,756	0.0
Other gains and losses	148,295	0.0	351,246	0.0	(175,382)	(5,506)	(0.0)	(87,589)	(0.0)	169,625	5,326	0.0
Finance costs	(3,880,037)	(0.6)	(5,080,083)	(0.5)	(5,041,763)	(158,297)	(0.4)	(2,384,106)	(0.5)	(3,162,499)	(99,294)	(0.2)
Share of gain (loss) of associates and joint ventures accounted for using the equity method	(18,560)	(0.0)	(22,314)	(0.0)	105,251	3,305	0.0	(8,859)	(0.0)	464,769	14,592	0.0
Total non-operating income and expenses	**(3,004,558)**	**(0.5)**	**(3,429,536)**	**(0.4)**	**(3,483,089)**	**(109,359)**	**(0.3)**	**(1,778,613)**	**(0.3)**	**(1,687,896)**	**(52,996)**	**(0.2)**
Profit before income tax	**5,195,365**	**0.9**	**11,834,784**	**1.2**	**17,399,091**	**546,282**	**1.5**	**7,452,255**	**1.5**	**21,249,526**	**667,174**	**1.9**
Income tax expense	(1,216,531)	(0.2)	(2,628,699)	(0.2)	(3,832,620)	(120,333)	(0.3)	(1,901,298)	(0.4)	(4,529,234)	(142,205)	(0.4)
Profit for the period / year	**3,978,834**	**0.7**	**9,206,085**	**1.0**	**13,566,471**	**425,949**	**1.2**	**5,550,957**	**1.1**	**16,720,292**	**524,969**	**1.5**
Total other comprehensive (loss) income for the period / year	10,914,983	1.8	6,069,958	0.6	(12,140,237)	(381,169)	(1.1)	(23,055,353)	(4.5)	6,329,259	198,721	0.6
Total comprehensive income for the period / year	**14,893,817**	**2.5**	**15,276,043**	**1.6**	**1,426,234**	**44,780**	**0.1**	**(17,504,396)**	**(3.4)**	**23,049,551**	**723,690**	**2.1**

	Year Ended December 31,							Six Months Ended June 30,				
	2023		2024		2025			2025		2026		
	NT$	%	NT$	%	NT$	US$	%	NT$	%	NT$	US$	%
					(in thousands, except percentages)							
	(Audited)		(Audited)		(Audited)	(Unaudited)				(Unaudited)		
Profit attributable to:												
Owners of the parent	**4,012,142**	**0.7**	**9,112,156**	**1.0**	**13,543,724**	**425,235**	**1.2**	**5,537,099**	**1.1**	**16,722,070**	**525,026**	**1.5**
Non-controlling interest	(33,308)	(0.0)	93,929	0.0	22,747	714	0.0	13,858	0.0	(1,778)	(57)	(0.0)
	3,978,834	0.7	9,206,085	1.0	13,566,471	425,949	1.2	5,550,957	1.1	16,720,292	524,969	1.5
Comprehensive income (loss) attributable to:												
Owners of the parent	14,929,690	2.5	15,130,332	1.6	1,443,048	45,308	0.1	(17,414,267)	(3.4)	23,040,758	723,415	2.1
Non-controlling interest	(35,873)	(0.0)	145,711	0.0	(16,814)	(528)	(0.0)	(90,129)	(0.0)	8,793	275	0.0
	14,893,817	2.5	15,276,043	1.6	1,426,234	44,780	0.1	(17,504,396)	(3.4)	23,049,551	723,690	2.1

Summary Consolidated Balance Sheet Data

	As of December 31,				As of June 30,	
	2023	2024	2025		2026	
	NT$	NT$	NT$	US$	NT$	US$
			(in thousands)			
	(Audited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)	
Current assets	238,746,945	351,986,234	464,077,827	14,570,733	745,804,028	23,416,139
Property, plant and equipment	1,262,530	3,191,522	4,718,651	148,152	4,894,860	153,685
Intangible assets	3,339,635	40,847,105	38,827,551	1,219,075	39,093,710	1,227,432
Other non-current assets[4]	21,835,862	16,465,425	19,936,161	625,939	22,946,600	720,458
Total assets	**265,184,972**	**412,490,286**	**527,560,190**	**16,563,899**	**812,739,198**	**25,517,714**
Current liabilities	177,888,805	240,334,886	369,977,067	11,616,235	671,711,613	21,089,847
Non-current liabilities	15,350,515	68,292,128	39,644,816	1,244,735	16,352,345	513,417
Total liabilities	193,239,320	308,627,014	409,621,883	12,860,970	688,063,958	21,603,264
Equity attributable to owners of parent	71,108,783	102,875,558	117,663,019	3,694,286	124,406,579	3,906,015
Non-controlling interest	836,869	987,714	275,288	8,643	268,661	8,435
Total equity	**71,945,652**	**103,863,272**	**117,938,307**	**3,702,929**	**124,675,240**	**3,914,450**

Summary Consolidated Cash Flow Data

	Year Ended December 31,				Six Months Ended June 30,		
	2023	2024	2025		2025	2026	
	NT$	NT$	NT$	US$	NT$	NT$	US$
				(in thousands)			
	(Audited)	(Audited)	(Audited)	(Unaudited)		(Unaudited)	
Net cash flows from operating activities	41,028,040	42,427,646	17,606,038	552,780	13,025,288	20,730,778	650,888
Net cash flows used in investing activities	(738,640)	(108,885,889)	(1,761,011)	(55,291)	(282,031)	(589,973)	(18,523)
Net cash flows from/(used in) financing activities	(22,956,625)	82,029,856	(26,817,666)	(841,999)	(19,910,037)	(12,070,695)	(378,986)
Effect of exchange rate changes on cash and cash equivalents	31,520	1,408,564	(616,332)	(19,351)	(5,647,011)	940,055	29,515
Net increase (decrease) in cash and cash equivalents	17,364,295	16,980,177	(11,588,971)	(363,861)	(12,813,791)	9,010,165	282,894
Cash and cash equivalents at the beginning of the period / year	5,383,254	22,747,549	39,727,726	1,247,338	39,727,726	28,138,755	883,477
Cash and cash equivalents at the end of the period / year	22,747,549	39,727,726	28,138,755	883,477	26,913,935	37,148,920	1,166,371

[4] Including financial assets at fair value through profit or loss—non-current, financial assets at fair value through other comprehensive income—non-current, investments accounted for using equity method, right-of-use assets, investment property—net, deferred income tax assets and other non-current assets.

THE OFFERING

The following is only a summary and is qualified in its entirety by reference to the "Description of the Bonds."

Issuer	WT Microelectronics Co., Ltd.
The Offering	US$500,000,000 aggregate principal amount of currency-linked US dollar denominated zero coupon convertible bonds due 2027, being offered outside the United States in reliance on Regulation S under the U.S. Securities Act.
Interest	The Bonds will not bear any interest.
Closing Date	September 8, 2026
Maturity Date and Final Redemption	Unless previously redeemed, repurchased and canceled or converted, the Bonds will mature, and the Company will redeem the Bonds, on June 8, 2027 at the Settlement Equivalent (as defined herein) of 100.00% of the outstanding principal amount thereof.
Issue Price	100.00%
Ranking	The Bonds will be the Company's direct, unconditional, unsubordinated and unsecured obligations (but subject to a negative pledge, as described in "**Negative Pledge**" below), and will rank *pari passu* without any preference or priority among themselves and with all of its other direct, unconditional, unsubordinated and unsecured obligations.
Conversion	Subject to certain conditions, each holder of the Bonds (a "**Holder**") will have the right during the Conversion Period (as defined herein) to convert its Bonds (or any portion thereof being US$200,000 in principal amount or any integral multiples thereof) into Common Shares, provided, however, that the Conversion Right during any Closed Period (as defined herein) shall be suspended and the Conversion Period shall not include any such Closed Period. See "Description of the Bonds — Conversion" and "Risk Factors — Risks Relating to Ownership of the Bonds and the Common Shares — There are limitations on the Bondholders' ability to exercise conversion rights." Subject to changes to ROC laws and regulations, the Company shall as soon as practicable but in no event more than five Trading Days (as defined herein) from the Conversion Date (as defined herein) deliver Common Shares in book-entry form to the converting Holders for the purpose of trading the Common Shares on the TWSE.
Conversion Price	The conversion price will initially be NT$224.54 per share determined on the basis of a fixed exchange rate applicable on conversion of Bonds of NT$31.604 = US$1.00. The conversion price will be subject to adjustments for, among other things, subdivision or consolidation of shares, right issues, distributions, stock dividends, and other dilutive events. See "Description of the Bonds."
Settlement Equivalent	For the relevant Rate Calculation Date (as defined herein) in respect of any US Dollar-denominated amount payable in respect of the Bonds, means such US Dollar amount converted into NT Dollar amount using the Fixed Exchange Rate of NT$31.604 = US$1.00, and then converted

	back to US Dollar amount using the applicable Prevailing Rate (as defined herein) on such date.
Early Redemption Amount	The Early Redemption Amount for each US$200,000 principal amount of the Bonds is determined so that it represents for the Holder a yield of 0.00% per annum, calculated on a semi-annual basis.
Redemption at the Option of the Issuer	At any time after December 8, 2026 and prior to the Maturity Date, the Company may, on not less than 30 nor more than 60 days' written notice to the Holders (which notice shall be irrevocable and, for the avoidance of doubt, may only be served by the Company after December 8, 2026) and upon written notice to the Trustee and the Agents, redeem the Bonds, in whole or in part, at the Settlement Equivalent of the applicable Early Redemption Amount, provided that: (i) the Closing Price of the Common Shares for 20 out of 30 consecutive Trading Days immediately prior to the date upon which notice of such redemption was given, is at least 120% of the quotient of the Early Redemption Amount divided by US$200,000, and then multiplied by the prevailing Conversion Price; and (ii) the applicable Redemption Date does not fall within a Closed Period. Notwithstanding the foregoing, the Company may redeem the Bonds, in whole but not in part, at any time, on not less than 30 nor more than 60 days' notice to the Holders, the Trustee and the Agents, at the Settlement Equivalent of the applicable Early Redemption Amount if more than 90% in principal amount of the Bonds originally issued has been redeemed, repurchased and canceled or converted; provided that the applicable Redemption Date does not fall within a Closed Period.
Additional Amounts	Payment of principal of and other amounts on the Bonds will be made without withholding for or on account of taxes of the ROC or such other jurisdiction in which the Company is then organized or resident for tax purposes or from which any payment on the Bonds is made (or any political subdivision or authority or agency thereof), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Company will, subject to certain exceptions, pay such Additional Amounts (as defined herein) on the Bonds as will result in receipt by the Holder of each Bond of such amounts as would have been received by such Holder had no such withholding or deduction been required.
Tax Redemption	If, as a result of certain changes relating to the tax laws in the ROC or such other jurisdiction in which the Company is then organized or resident for tax purposes (or any political subdivision or authority or agency thereof), the Company becomes obligated to pay Additional Amounts, the Bonds may be redeemed at the option of the Company, in whole but not in part, at the Settlement Equivalent of the applicable Early Redemption Amount; provided that such right cannot be exercised earlier than 45 days prior to the first date on which the Company would be obligated to make an Additional Amounts payment with respect to all or substantially all of the outstanding Bonds were a payment then due. Notwithstanding the foregoing, if the outstanding principal amount of the Bonds at the time when such redemption notice is given is greater than 10% of the aggregate principal amount of the Bonds as of the Closing Date, Holders may elect not to have their Bonds redeemed but with no entitlement to any Additional Amounts or reimbursement of additional tax. See "Description of the Bonds — Redemption of the Bonds — Redemption for Taxation Reasons."

Repurchase in the Event of Change of Control	Unless the Bonds have been previously redeemed, repurchased and canceled or converted, each Holder shall have the right, at such Holder's option, to require the Company to repurchase, in whole or in part (being US$200,000 in principal amount or integral multiples thereof), such Holder's Bonds at the Settlement Equivalent of the applicable Early Redemption Amount upon the occurrence of a Change of Control, as defined herein. See "Description of the Bonds — Repurchase of the Bonds — Repurchase in the Event of Change of Control."
Repurchase in the Event of Delisting	Unless the Bonds have been previously redeemed, repurchased and canceled or converted, in the event that the Common Shares cease to be listed or admitted to trading on TWSE, each Holder shall have the right, at such Holder's option, to require the Company to repurchase, in whole or in part (being US$200,000 in principal amount or any integral multiples thereof), such Holder's Bonds on the 20th Business Day after the Issuer provides a notice to the Holders, the Trustee and the Agents regarding such delisting at the Settlement Equivalent of the applicable Early Redemption Amount with respect to such Holder's Bonds to be repurchased. See "Description of the Bonds — Repurchase of the Bonds — Repurchase in the Event of Delisting."
Negative Pledge	Subject to certain exceptions, the Company will not, and will ensure that none of its Principal Subsidiaries (as defined herein) will, create or permit to subsist any Lien (as defined herein) to secure for the benefit of the holders of any International Investment Securities (as defined herein) any sum owing in respect thereof or any guarantee or indemnity thereof without making effective provision to secure the Bonds (a) equally and ratably with such International Investment Securities with a similar Lien or (b) with such other security as shall be approved by registered Holders holding not less than 50% of the principal amount of the outstanding Bonds. See "Description of the Bonds — Certain Covenants — Negative Pledge."
Form and Denomination	The Bonds will be issuable only in book-entry form and only in denominations of US$200,000 in principal amount and any integral multiples thereof. Bonds will be represented by the Global Bond. On the closing date of the Offering, the Company will deliver the Global Bond to the common depositary for Euroclear and Clearstream. If (i) at any time, the Common Depositary advises the Company in writing that it is unwilling or unable to continue as a depository for the Global Bond and a successor depository is not appointed within 90 days, (ii) either Euroclear or Clearstream or any alternative clearing system on behalf of which the Bonds evidenced by the Global Bond may be held is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so, or (iii) an event of default has occurred and is continuing with respect to the Bonds and (x) the Trustee notifies the Issuer, (y) the Holders of not less than 25% in aggregate principal amount of the Bonds then outstanding notifies the Issuer and the Trustee or (z) the Trustee at the written direction of Holders of not less than 25% in aggregate principal amount of the Bonds then outstanding (subject to being indemnified and/or secured and/or prefunded by such Holders to its satisfaction) notifies the Issuer, in writing that any of the Bonds have become immediately due and payable, and if the Issuer has received a written request from a Holder, the Company shall issue individual certificated bonds in registered form in exchange for the Global Bond in any authorized denominations and in an

	aggregate principal amount equal to the principal amount of the Global Bond. The Bonds will not be issuable in a bearer form.
Use of Proceeds	The gross proceeds to be received by the Company from this Offering of the Bonds will be approximately US$500.0 million. The Company will use the net proceeds for the procurement of raw materials denominated in foreign currencies.
Listing	Approval in-principle has been received from the SGX-ST for the listing of the Bonds on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained in this Offering Circular. Approval in-principle for the listing of the Bonds is not to be taken as an indication of the merits of the Offering, the Company, the Group, its subsidiaries or any of their associated companies or the Bonds. Prior to the Offering, there has been no market anywhere for the Bonds, or any market outside the ROC for the Common Shares. For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that any of the Global Bonds is exchanged for individual definitive Bonds, the Company will appoint and maintain a paying agent in Singapore, where the Bonds may be presented or surrendered for payment or redemption. In addition, in the event that any of the Global Bonds is exchanged for individual definitive Bonds, announcement of such exchange will be made by the Company or on its behalf through the SGX-ST. Such announcement will include all material information with respect to the delivery of the individual definitive Bonds, including details of the paying agent in Singapore. For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, the Bonds will be traded on the SGX-ST in a minimum board lot size of US$200,000.
Lockup Agreements	The Company, the directors, executive officers and certain shareholders of the Company (including ASMedia Technology Inc.) have agreed that, subject to certain exceptions, until 90 days after the Closing Date, not to, without the Initial Purchasers' prior written consent, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of any securities of the Company that are substantially similar to the Bonds, the Shares, including but not limited to any securities that are convertible into, or exchangeable for, the Bonds or the Shares or any such substantially similar equity securities. See "Plan of Distribution."
Trading Market for the Common Shares	The only trading market for the Common Shares is the TWSE. The Common Shares have been listed on the TWSE under the trading code "3036".
Governing law	The Indenture and the Bonds will be governed by, and construed in accordance with, the laws of the State of New York.
Trustee	Citicorp International Limited
Paying Agent, Conversion Agent, Transfer Agent and Registrar ("**Agents**")	Citibank, N.A., London Branch

Transfer Restrictions	None of the Bonds or the Common Shares issuable upon conversion of the Bonds has been registered under the Securities Act, and those securities are subject to restrictions on transfer. See "Transfer Restrictions".
Delivery of the Bonds	Delivery of the Bonds, against payment in same-day funds, will be on the Closing Date.
Concurrent GDS Offering	Concurrent with this Offering, the Company is making an offering of 15,000,000 Global Depositary Shares (the "**GDSs**"), representing 75,000,000 new Common Shares, par value NT$10.00 per Share, through Citigroup Global Markets Limited as initial purchaser, in the United States in reliance on Rule 144A, and outside the United States in reliance on Regulation S under the U.S. Securities Act, pursuant to certain terms and conditions governing the GDSs.

RISK FACTORS

Investing in the Bonds involves risks. You should carefully consider the risks described below before making an investment decision. You should also carefully consider all of the information contained in this Offering Circular, including our financial statements and related notes. You should note that we are governed in the ROC by a legal and regulatory environment that in some material respects may be different from that prevailing in other countries.

Risks Relating to Our Industry and Business

We operate in a highly competitive industry and we may not be able to sustain our current market position.

We operate in a highly competitive industry, and we compete with other large multinational and regional electronic components distributors, as well as numerous other smaller, specialized competitors who generally focus on narrower market sectors, products, or industries. The size of our competitors varies across geographies, as do the resources we have allocated to the sectors in which we do business. Therefore, some of our competitors may have a more extensive supplier and/or customer base than we do in one or more of our geographies and market sectors. There is significant competition within each geography and market sector that creates margin pressure and the need for constant attention to improve services and product offerings in order to increase market share. Other competitive factors include technical expertise, product availability, credit availability, speed of delivery, and ability to tailor solutions to meet customer needs. As we continue to expand our business into new areas in order to stay competitive in the market, we may encounter increased competition from its current and/or new competitors, making it difficult for us to retain our market share. We cannot be certain that we will be able to compete successfully against either our current or potential competitors in the future, and there is no guarantee that our response to and growth in emerging technologies will be successful. Our failure to maintain and enhance our competitive position could have a material adverse effect on our business, financial condition and results of operations.

The markets in which our customers compete are characterized by rapidly changing technology and innovation.

The markets in which our customers compete are characterized by rapidly changing technology, evolving industry standards and continuous improvements in products and services. Our products are applied in various fields including datacenters and servers, industrial and instruments, automotive electronics, communications, consumer electronics, mobile phones and PCs and peripherals. Accordingly, our viability and success will partially depend on the success achieved by our customers in developing and marketing their products to their customers. If the technologies or standards supported by our customers become obsolete or fail to gain widespread commercial acceptance, we may experience a loss of certain key customers, a decline in sales, and a decline in profitability. In addition, there are different product release cycles in different end markets, and if we or our customers fail to meet the ideal product launch dates, our business and operations will be adversely affected.

Our revenues originate primarily from the sales of electronic components, which are subject to changes in market conditions.

While we attempt to identify changes in market conditions as soon as possible, the dynamics of the industries in which we operate make it difficult to predict and timely react to such changes, including those relating to product capacity and lead times. The electronic components industry historically has experienced fluctuations and cyclicality in product supply and demand, often associated with changes in technology and manufacturing capacity and subject to significant economic market upturns and downturns, and suppliers may not adequately predict or meet customer demand. Specifically, demand for electronic components was overinflated during the COVID-19 pandemic due to supply shortage, resulting in excess inventory buildup in the supply chain in recent years. Demand from our customers may also fluctuate and can be difficult to predict, depending on macroeconomic conditions as well as inventory level and sell-through of end products offered by our customers. Accordingly, our revenues and profitability tend to closely follow the strength or weakness of the electronic components market. Moreover, market conditions in the electronic components industry depend to a large degree on conditions in the markets for the end-use applications of various products, such as datacenters and servers, industrial and instruments, automotive electronics, communications, consumer electronics, mobile phones and PCs and peripherals. Further, economic weakness could cause a decline in spending in information technology, which could have a negative impact on the demand for our products and services. A cyclical downturn in the electronic components market, the technology industry in general, or the end-use markets for our products could

have a material adverse effect on our business and negatively impact our business, financial condition and results of operations.

Disruptions to key supplier and customer relationships could negatively affect our results of operations.

One of our competitive strengths is the breadth and quality of the suppliers whose products we distribute. In 2025, purchases from our largest supplier represented 58.8% of our total purchases. No purchases of any other single supplier's products accounted for more than 10% of our total purchases in 2025. Our contracts with our suppliers vary in duration and are generally terminable by either party at will upon notice. Our suppliers may terminate or significantly reduce their volume of business with us, because of product shortages, dissatisfaction with services provided, an unwillingness to do business with us, changes in strategy to sell their products directly, or otherwise. For example, one of our largest suppliers switched a substantial portion of its business through distributors to a direct sales business model and terminated its relationship with us in 2019.

Shortages of products or loss of a supplier may negatively affect our business and relationships with our customers, as customers depend on our timely delivery of electronic components from our suppliers. To the extent that our major suppliers reduce the number of products they sell through distribution, cease to continue doing business with us, or are unable to continue to meet or significantly alter their obligations, our business could be materially adversely affected. In addition, shifts in suppliers' strategies, or performance and delivery issues, may negatively affect our financial results. These conditions make it more difficult to manage our business and predict future performance.

The competitive landscape has also experienced a consolidation among suppliers, which could negatively impact our profitability and customer base if the surviving, consolidated suppliers decide to exclude us from their supply chain efforts, which could expose us to increased risks and dependence on a smaller number of suppliers.

Further, if key suppliers modify the terms of their contracts (including, without limitation, terms regarding price protection, rights of return, rebates, or other terms that protect or enhance our gross profit or terminate their contracts), it could negatively affect our results of operations, financial condition, or liquidity.

We also face customer concentration risk. In 2025, our largest customer accounted for 26.5% of our revenue, and in the six months ended June 30, 2026, our largest customer accounted for 44.6% of our revenue. Our customers may reduce, delay, or cancel orders, or otherwise cease to do business with us, due to changes in their own business strategies, financial condition, or ability to obtain products from alternative sources, among other reasons. The loss of, or a significant reduction in purchases by, our largest customer or several of our other significant customers could have a material adverse effect on our results of operations, financial condition, or liquidity.

If we are unable to manage our growth effectively, our business could be adversely affected.

We have experienced, and expect to continue to experience, growth in the scope and complexity of our operations through organic growth and through acquisitions. The growth of our business has placed and may continue to place a strain on our management, personnel, systems and resources. If we are unable to manage our growth effectively, we may not be able to take advantage of market opportunities, execute our business plan or respond to competitive pressures. Moreover, if our allocation of resources does not correspond with future demand for particular market sectors, we could miss market opportunities, and our business, results of operations and financial condition could be materially and adversely affected. There can be no assurance that we will be able to manage our growth effectively in the future.

We must continue to offer attractive products and services to our customers and to offset potential price and margin erosion.

The electronic components market is characterized by rapid changes in product designs and technological advances allowing for better performance, smaller size and/or lower cost. New applications are frequently found for existing technologies, and new technologies occasionally replace existing technologies for some applications or create new business opportunities in other areas of applications. We must continue to offer our customers attractive products to keep up with the changes in the electronic components market to keep us at the forefront of our customers' choice of partners to enhance their products' competitiveness. In addition, we need to continue to invest in our service capabilities to stay at the forefront of industry trends, in order to provide up-to-date value-added services to our business partners. However, we may not be able to anticipate the direction of technological

change and we may not be successful in offering an attractive portfolio of products to our customers. If this occurs, we could lose customers and experience adverse effects on our financial condition and results of operations.

Inventory loss or inventory value decline may adversely affect our results of operations and financial condition.

Our inventory primarily includes electronic components. We typically store our products at our warehouses and occasionally at the factories of our customers, and we monitor and manage our inventory level closely. However, we are subject to inventory loss due to unexpected changes to customer orders, natural disasters or warehouse management failures.

In addition, the electronic components industry is subject to rapid technological change, new and enhanced products, changes in customer needs, and changes in industry standards and regulatory requirements, which can cause our inventory to decline in value or become obsolete. While we prudently manage our inventory exposure to gauge our customer demand and supplier availability, we may not always be able to mitigate the risk of inventory overstock or obsolescence. Regardless of the general economic environment, prices may decline due to a decrease in demand or an oversupply of products, which may increase the risk of declines in inventory value. Some of our suppliers offer certain protections from the loss in value of inventory (such as price protection and limited rights of return), but such policies may not fully compensate for the loss. Also, suppliers may not honor such agreements, some of which are subject to the supplier's discretion. Any of these events could have a material adverse effect on our business and results of operations.

Our business is subject to U.S. and certain foreign export and import controls, and we have to comply with U.S. and certain foreign sanctions and embargoes. In the event of noncompliance, we can face serious consequences, which can harm our business, results of operations and reputation.

We are subject to export control and import laws and regulations, including but not limited to the U.S. Export Administration Regulations ("**EAR**"), U.S. Customs regulations, ROC Foreign Trade Act ("**FTA**") and ROC Regulations Governing the Export and Import of Strategic High-tech Commodities ("**Strategic High-tech Commodities Regulation**"), and we have to comply with applicable economic and trade sanctions regulations such as the ones administered by the U.S. Treasury Department's Office of Foreign Assets Control ("**OFAC**"), International Trade Administration ("**ITA**") of the MOEA and the MOEA. Products we sell which are either manufactured in the United States or based on U.S. technology ("**U.S. Products**") are subject to the EAR when exported and re-exported to and from all international jurisdictions, in addition to the local jurisdiction's export regulations applicable to individual shipments. Licenses or proper license exemptions may be required by local jurisdictions' export regulations, including EAR, for the shipment of certain U.S. Products to certain countries, including China. The Russia-Ukraine and Israel-Palestine conflicts have caused, and continue to intensify, significant geopolitical tensions in Europe, the Middle East, and across the globe. The resulting sanctions are expected to have significant impacts on the economic conditions of the targeted countries and markets. We have to maintain the export permit for strategic high-tech commodities and comply with FTA and Strategic High-tech Commodities Regulation for exporting our products. While we have third-party vendors and internal control procedures to ensure compliance with EAR and other applicable export regulations, these methods may not be completely successful in ensuring our constant compliance. Noncompliance with the EAR, OFAC regulations, FTA, Strategic High-tech Commodities Regulation or other applicable export regulations can result in a wide range of penalties including the denial/suspension of export privileges, revocation of exporter registration, fines, criminal penalties, and the seizure/destruction/return of inventories. In the event that any export regulatory body determines that any shipments made by us violate the applicable export regulations, we could be fined significant sums, our export capabilities could be restricted, we may be subject to claims for damages or penalties by our customers or suppliers, and/or our contracts may be terminated, which could have a material adverse effect on our reputation, business and results of operations.

We do not have long-term sales contracts with our customers, which may cause uncertainties to our business.

Most of our sales are made on an order-by-order basis, rather than through long-term sales contracts. We generally work with our customers to develop non-binding forecasts for future orders. Based on such non-binding forecasts, we make commitments regarding the level of business that we will seek and accept, the inventory that we purchase, and the levels of utilization of personnel and other resources. A variety of conditions, both specific to each customer and generally affecting each customer's industry, may cause customers to cancel, reduce, or delay orders that are either previously made or anticipated, file for bankruptcy protection, or default on their payments. Significant or numerous cancellations, reductions, delays in orders by customers, loss of customers, and/or customer defaults on payments could materially adversely affect our business, results of operations and financial condition.

Internal information systems failures could have an adverse effect on our business, internal controls, and reporting obligations.

We depend on our information systems to facilitate our day-to-day operations and to produce timely, accurate, and reliable information on financial and operational results. Our information systems are extremely complex, in part because of various processes and the scope of our business operations and interactions with our suppliers and customers. Our information systems may not always be effective and implementation or integration difficulties may adversely affect our ability to complete business transactions and ensure accurate recording and reporting of financial data. Potential integration challenges as it pertains to the Future Acquisition could also exert a negative impact on our business, internal controls, and reporting obligations.

Data security and privacy threats may hurt our business, damage our reputation, increase our costs, and cause losses.

Our information technology systems could be subject to cyber-attack or data privacy breaches by employees, others with authorized access, and unauthorized persons. Such attacks could result in disruption to our operations and/or loss or disclosure of, or damage to, ours or any of our customer's or supplier's data, confidential information, or reputation. Our information technology systems security measures may also be breached due to employee error, malfeasance, or otherwise. Additionally, outside parties may attempt to fraudulently induce employees, customers, or suppliers to disclose sensitive information in order to gain access to our data and information technology systems. Any such breach could result in significant legal and financial exposure (including paying damages and/or penalties to customers or suppliers), damage to our reputation, loss of competitive advantage, and a loss of confidence in the security of our information technology systems. Because the techniques used to obtain unauthorized access, disable or degrade, or sabotage our information technology systems change frequently and often are not recognized until launched, we may be unable to anticipate these techniques or to implement adequate preventive measures.

We continue to make investments seeking to address risks and vulnerabilities, including ongoing monitoring, updating networks and systems, and personnel awareness training of potential cyber security threats to help ensure employees remain diligent in identifying potential risks. Although we have developed systems and processes that are designed to protect information, prevent data loss and other security breaches, and reduce the impact of a security breach, such measures cannot provide absolute security. Such breaches, whether successful or unsuccessful, could result in us incurring costs related to, for example, rebuilding internal systems, defending against litigation, responding to regulatory inquiries or actions, paying damages, or taking other remedial steps.

Also, global privacy legislation, enforcement, and policy activity are rapidly expanding and creating a complex compliance environment. In line with our geographic expansion, we may become subject to more stringent rules. Our failure to comply with international privacy related or data protection laws and regulations could result in proceedings against us by governmental entities or others. Any of these events could have a material adverse effect on our reputation, business and results of operations.

Logistics disruptions could have an adverse impact on our business, operations, financial performance, and reputation.

Our multinational logistics services are operated through specialized and centralized distribution centers across Asia Pacific, the Americas and EMEA. We also depend on third-party freight and transportation service providers to deliver products to our customers. A major interruption or disruption in service at one or more of our distribution centers for any reason (such as information technology upgrades and operating issues, warehouse modernization and relocation efforts, natural disasters, COVID-19 or other pandemics, or significant disruptions of services from our third-party freight and transportation providers) could cause an increase in expenses or a delay in delivery. In addition, as we continue to increase capacity at our distribution centers, they may experience operational challenges, increased costs, decreased efficiency, and customer delivery delays and failures. Such operational challenges could have an adverse impact on our business, operations, financial performance, and reputation.

We may be exposed to claims alleging product defects.

Our business exposes us to claims alleging product defects or non-conformance with product specifications. We may be held liable for, or incur costs related to, such claims if any of the products we sell are found to have caused end market product application failures, product recalls, property damage or personal injury. Provisions in our customer and distributor agreements are designed to limit our exposure to potential material

product defect claims, including warranty, indemnification, waiver and limitation of liability provisions, but such provisions may not be effective under the laws of some jurisdictions. If we cannot successfully defend ourselves against product defect claims, we may incur substantial liabilities. Regardless of the merits or eventual outcome, defect claims could entail substantial expense and require the time and attention of senior management personnel.

From time to time, we may become involved in legal proceedings, which could have an adverse effect on our operations and business reputation.

From time to time, we may become involved in legal proceedings, including government investigations, that arise out of the ordinary conduct of our business, including matters involving commercial matters, product liability, intellectual property rights, merger-related matters, and other actions. Legal proceedings could result in substantial costs and diversion of management's efforts and other resources and could have an adverse effect on our operations and business reputation. We may be obligated to indemnify and defend our customers if the products or services that we sell are alleged to infringe any third party's intellectual property rights. We may not be able to obtain supplier indemnification for ourselves and our customers against such claims, or such indemnification may not fully protect us and our customers against such claims. If an infringement claim against us is successful, we may be required to pay damages or seek royalty or license arrangements, which may not be available on commercially reasonable terms. We may have to stop selling certain products, which could affect our ability to compete effectively. Product defects, whether caused by a design or function failure or error, or manufacturing processes not in compliance with applicable statutory and regulatory requirements, may result in product liability claims, product recalls, fines, and penalties.

Our insurance coverage may not adequately protect us against certain operating and other hazards which may have an adverse effect on our business.

We believe that the coverage from our insurance policies for our business operations is in line with industry norms, adequate for our present operations and include adequate coverage for risks relating to fines and public liability. However, there can be no assurance that any claim under the insurance policies maintained will be timely honored in full or at all. To the extent that we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, results of operations and financial condition may be materially and adversely affected. There can also be no assurance that insurance will continue to be available to provide reasonable, or any, coverage on reasonable commercial terms.

We rely on certain key personnel and failure to attract, retain, or replace such personnel could adversely affect our business.

Our success depends to a significant extent upon, among other factors, the continued services of our skilled technical, managerial, sales, and marketing personnel. Our success also depends on our ability to continue to attract, retain, and motivate said personnel. The loss of the services of any of these key personnel without adequate replacement or the inability to attract new qualified personnel could have a material adverse effect on our business, financial condition, results of operations, and future prospects. We do not maintain insurance with respect to the loss of any of our key personnel.

Accounts receivable defaults could result in delayed payment, and our business, results of operations, financial condition, or liquidity could be adversely affected.

Accounts receivables are a significant portion of our working capital. If customers responsible for a significant amount of accounts receivables cease doing business, direct their business elsewhere, fail to pay, or delay payment, our business, results of operations, financial condition, or liquidity could be adversely affected. Historically, we have experienced certain customer defaults on their payment to us and made provisions accordingly. An economic or industry downturn could adversely affect our ability to collect receivables, which could result in longer operating cash cycles, increased collection costs, and defaults exceeding management's expectations.

We may need additional capital, and financing may not be available on terms satisfactory to us, or at all.

Since our inception, we have relied on the proceeds from bank borrowings, equity issuances, and cash generated from operating activities, which have historically been sufficient to meet our working capital and substantially all of our capital expenditure requirements. As of June 30, 2026, the Company had cash and cash equivalents of NT$37,148.9 million (US$1,166.4 million), long-term and short-term borrowings of NT$53,925.5 million (US$1,693.1 million) and convertible bonds payable of NT$10,855.0 million (US$340.8 million). Under

some of our credit facilities, we are required to maintain certain specified financial ratios and pass certain financial tests. If we increase our level of debt or our operating results deteriorate, we may fail to meet these financial ratios or pass these tests, which may result in an event of default. In such an event, lenders may accelerate repayment and we may be unable to continue to utilize these facilities. If we are unable to utilize these facilities or are required to repay debt earlier than we expected, we may not have sufficient cash available to make interest payments or to repay indebtedness, which may further result in cross defaults under our credit facilities or contracts, or for general corporate needs.

We may require additional cash resources due to the future growth and development of our business. Our future capital requirements may be substantial as we seek to expand our operations, diversify our product offerings, and pursue acquisitions and equity investments. If our cash resources are insufficient to satisfy our cash requirements, we may seek to issue additional equity or debt securities or obtain new or expanded credit facilities or enter into additional factoring arrangements.

Our ability to obtain external financing in the future is subject to a variety of uncertainties, including our future financial condition, results of operations and cash flows and the overall condition of international capital and lending markets that is beyond our control. Any indebtedness that we may incur in the future may also contain operating and financial covenants that could further restrict our operations. There can be no assurance that financing will be available in a timely manner or in amounts or on terms acceptable to us, or at all. A large amount of bank borrowings and other debt may result in a significant increase in interest expense while at the same time exposing us to increased interest rate risks. Equity financings could result in dilution to our shareholders, and the securities issued in future financings may have rights, preferences and privileges that are senior to those of the Bonds or the underlying Shares. Any failure to raise needed funds on terms favorable to us, or at all, could severely restrict our liquidity as well as have a material adverse effect on our business, financial condition and results of operations.

When we make acquisitions, we may take on additional liabilities or we may not be able to successfully integrate such acquisitions.

As part of our history and growth strategy, we have acquired other businesses. Acquisitions involve numerous risks, including the following:

- effectively combining the acquired operations, technologies, or products;
- additional liabilities; increase in debt or interest expenses and potential write-offs of acquired assets;
- unanticipated costs or assumed liabilities, including those associated with regulatory actions or investigations;
- not realizing the anticipated financial benefit from the acquired companies;
- diversion of management's attention;
- negative effects on existing customer and supplier relationships; and
- potential loss of key employees of the acquired companies.

Further, we have made, and may continue to make acquisitions of, or investments in new services, businesses or technologies to expand our current service offerings and product lines. Some of these may involve risks that may differ from those traditionally associated with our core distribution business. If we are not successful in mitigating or insuring against such risks, it could have a material adverse effect on our business, financial condition and results of operations.

Our international operations subject us to various business, economic, political, regulatory, and legal risks.

We have operations in around 50 countries and regions worldwide. As a result, we are subject to a variety of risks that are specific to international operations, including, but not limited to, the following:

- potential changes in our revenue and earnings mix by region;
- potential restrictions on our ability to repatriate funds from our foreign subsidiaries;

- foreign currency and interest rate fluctuations;
- fluctuations in freight costs, limitations on shipping and receiving capacity, and other disruptions in the transportation infrastructure;
- noncompliance with foreign and domestic regulations in the Americas and EMEA, in addition to Asia Pacific, the failure of which could result in severe penalties including monetary fines and criminal proceedings;
- noncompliance with foreign and domestic import and export regulations, anti-corruption laws and adoption or expansion of trade restrictions, including technology transfer restrictions, additional license, permit or authorization requirements for shipments, specific company sanctions, new and higher duties, or other import/export controls;
- more uncertainties around our financial results given we are more exposed to different regions' economic and political instabilities, terrorism, and potential military conflicts or civilian unrest;
- labor unrest and difficulties in staffing; and
- natural disasters, pandemics, and other public health crises.

If we cannot successfully manage the risks and challenges generally associated with multinational operations, we may have difficulties in completing orders, which might lead to customer dissatisfaction and loss of future orders. In addition to the cost of compliance, the potential criminal penalties for violations of import or export regulations and anti-corruption laws, by us or our third-party agents, create heightened risks for our international operations. If a regulatory body determines that we have violated such laws, we could be fined significant sums, incur sizable legal defense costs, have our import or export capabilities restricted or denied, or have our inventories seized, which could have a material and adverse effect on our business. Additionally, allegations that we have violated any such regulations may negatively impact our reputation, which may result in customers or suppliers being unwilling to do business with us. While we have adopted measures and controls designed to ensure compliance with these laws, we cannot be assured that such measures will be adequate or that our business will not be materially and adversely impacted in the event of an alleged violation.

We may not realize all of the anticipated benefits of our acquisition of Future or those benefits may take longer to realize than expected. We may also encounter significant unexpected difficulties in integrating the two businesses.

Our ability to realize the anticipated benefits of the acquisition of Future will depend, to a large extent, on our ability to integrate our and Future's businesses and operations. The combination of two independent businesses is a complex, costly and time-consuming process. As a result, we will be required to devote significant management attention and resources to integrate Future's business and operations with ours. Moreover, Future's business has a large international presence across the Americas, Asia Pacific and EMEA. We have limited experience in international markets outside of Asia Pacific, and we expect to enter into and expand our operations in international markets by leveraging Future's existing operations, which exposes us to risks associated with international expansion. The integration process may disrupt the business and, if implemented ineffectively or if impacted by unforeseen negative economic or market conditions or other factors, we may not realize the full anticipated benefits of the acquisition of Future. Our failure to meet the challenges involved in integrating the two businesses to realize the anticipated benefits of the acquisition of Future could cause an interruption of, or a loss of momentum in, our activities and could adversely affect our results of operations. In addition, the overall integration of the businesses may result in material unanticipated problems, expenses, liabilities, competitive responses, and diversion of management's attention.

The major difficulties of combining the operations of the companies include, among others:

- the diversion of management's attention to integration matters;
- difficulties in achieving anticipated business opportunities and growth prospects from combining the business of Future with our business;
- challenges in attracting and retaining key personnel, see "—We rely on certain key personnel and failure to attract, retain, or replace such personnel could adversely affect our business";

- challenges in implementing and integrating internal controls and legal and compliance framework, including EAR compliance programs;
- effectively combining the acquired technologies and products;
- difficulties in managing the expanded operations of a larger and more complex company;
- negative effects on existing supplier and customer relationships;
- unanticipated costs or assumed liabilities, including those associated with regulatory actions or investigations; and
- potential antitrust investigations or antitrust measures taken in response to the acquisition of Future.

Many of these factors will be outside of our control and any one of them could result in increased costs, decreases in the amount of expected revenues and diversion of management's time and energy, which could materially impact the business, financial condition and results of our operations. In addition, even if the operations of our business and Future's business are integrated successfully, we may not realize the full benefits of the acquisition of Future, including the growth opportunities that we expect. These benefits may not be achieved within the anticipated timeframe, or at all. Furthermore, additional unanticipated costs may be incurred in the integration of the businesses. All of these factors could decrease or delay the expected benefits of the acquisition of Future and negatively impact us. As a result, we cannot assure you that the combination of our and Future's businesses will result in the realization of the full benefits anticipated from the acquisition of Future.

Any global systemic economic and financial crisis could negatively affect our business, results of operations, and financial condition.

Global economic growth in recent years has been slow and faces more uncertainty. The global economy, markets and levels of spending by businesses and consumers are influenced by many factors beyond our control. For example, health epidemics have in the past caused significant downward pressure for the global economy. Geopolitical tension and conflicts, energy crisis, inflation risk, interest rate increases, instability in the financial system, and the tightening of monetary policy by the U.S. Federal Reserve impose new challenges and uncertainties on the global economy. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term. Furthermore, sanctions and export control measures may be unilaterally imposed by the U.S. or other jurisdictions from time to time. These measures are expected to have significant impact on the targeted countries, markets and/or entities.

Any uncertainty or significant volatility in global economic conditions, including inflation, interest rates, the continuing global supply chain issue, and economic sanctions and restrictive measures in response to the Russia-Ukraine and Israel-Palestine conflicts, may negatively affect our business, results of operations, and financial condition. There have also been concerns about the economic effect of the tensions in the relationship between the PRC and the U.S. There were and could be in the future a number of domino effects from such turmoil on our business, including significant decreases in orders from our customers; supply constraints; inability of customers to obtain credit to finance purchases of our products and/or customer insolvencies; and counterparty failures negatively impacting our operations. Any systemic economic or financial crisis could cause revenues for the electronic components industry as a whole to decline dramatically and could materially and adversely affect our results of operations.

We are subject to risks related to fluctuations in the macroeconomic and market conditions.

Our business is inherently subject to general macroeconomic conditions and policies and market fluctuations, including financing costs and the volatility of interest rates, inflation, availability of short-term and long-term financing sources, upward and downward trends in the industrial and financial sectors, monetary and fiscal policies, restriction on capital outflows, foreign exchange policies and currency fluctuations, taxation policies and other macroeconomic policies, as well as laws and regulations affecting the financial industries. Unfavorable financial or economic environments, including the continued global financial uncertainties, have had and may continue to have an adverse impact on investors' confidence and global financial markets. For example, the United States and China have been involved in disputes over trade barriers that have escalated into a trade war between the two countries. These trade barriers include tariff and non-tariff measures, including the use of export control restrictions against certain countries and individual companies. As we operate and sell our products in

both the United States and China, these tensions and trade barriers may adversely impact our business operations and financial performance. In addition, it is unknown whether and to what extent new tariffs, economic or trade sanctions, export controls or other new laws or regulations related to trade (including trade with or involving China) will be adopted, or the effect that any such actions would have on us, the industry we operate in and our business partners. Any additional measures relating to China could materially impact us and our business partners.

The United States has also taken efforts to limit U.S. investment in China. On October 28, 2024, the U.S. Department of the Treasury issued a final rule to prohibit U.S. investment in Chinese companies active in developing certain national security technologies (the "**Outbound Investment Rule**"). The Outbound Investment Rule targets investments involving persons and entities associated with "countries of concern," a designation currently limited to China. In effect since January 2025, the Outbound Investment Rule imposes investment prohibitions and notification requirements on a range of investments in companies engaged in activities relating to three sectors: (i) semiconductors and microelectronics, (ii) quantum technologies, and (iii) artificial intelligence systems. Persons from countries of concern engaged in these activities are defined as "covered foreign persons." Investments by U.S. persons subject to the Outbound Investment Rule include the acquisition of equity or a contingent equity interest, the provision of certain debt financing, the conversion of contingent equity interest into equity interest, involvement in a greenfield or brownfield investment, entrance into a joint venture, and the acquisition of a limited partner interest in non-U.S. pooled investment fund. Importantly, the Outbound Investment Rule excludes some investments from the scope of covered transactions, including those in publicly traded securities listed on a national stock exchange. U.S. persons' acquisitions of publicly traded securities will therefore be exempted from the scope of covered transactions under the Outbound Investment Rule. We believe we are not a "covered foreign person" as defined in the Outbound Investment Rule. While we believe that certain of our subsidiaries would be deemed persons of a country of concern that engage in covered activities described in the definition of a "notifiable transaction" under the Outbound Investment Rule, we do not derive more than 50% of our revenue or net income or incur more than 50% of our capital expenditures or operating expenses from these subsidiaries. In addition, we will not use the proceeds of this Offering to fund the activities or operations of any covered foreign persons. However, if we were to be deemed a covered foreign person due to changes in our business operations or amendments to relevant laws and regulations, our ability to raise capital could be negatively affected. If we were in the future deemed to be a covered foreign person at the time a U.S. person (as defined under the Outbound Investment Rule) holding the Bonds elects to convert their Bonds, the U.S. person could be subject to the prohibition or notification requirements under the Outbound Investment Rule. Therefore, in such an event, holders of the Bonds may not be able to convert their Bonds into Common Shares or may be required to make a notification to the U.S. Department of the Treasury upon such conversion of the Bonds in the future. Investors should exercise caution on the potential investment restrictions and compliance obligations that may result from such changes in our business or relevant laws and regulations in the future.

In addition, the trade war between the United States and China has resulted in volatility in the financial markets around the world. Uncertainties over U.S. Federal Reserve's decision to reduce quantitative tightening or lower interest rate in response to underlying economic conditions, inflationary pressure, energy costs, consumer confidence, employment rates, geopolitical issues, etc., could result in adverse market conditions. Potential recession or a hard landing may restrict our ability to access capital or financing on favorable terms due to limited credit and liquidity availability. In addition, conflicts between Russia and Ukraine, U.S. and Iran, and between Israel and Palestine, and potential escalation of hostilities between these countries or regions may further complicate the geopolitical landscape and affect the global economy. Any of these developments may have a material adverse effect on our results of operations, financial condition and prospects.

Foreign exchange fluctuations may adversely affect our results of operations and financial condition.

As the Shares are listed on the TWSE, our financial statements are required to be presented in NT Dollars, the lawful currency of the ROC. However, most of our purchases and sales are denominated in US dollar, with a substantial portion of our labor cost paid in NT Dollar, Renminbi, South Korean Won, Singapore Dollar and Hong Kong Dollar. Accordingly, our operations are exposed to fluctuations mainly among US dollar, Renminbi, South Korean Won, Singapore Dollar, Hong Kong Dollar and NT Dollar exchange rate. Our operations are exposed to fluctuations of additional currencies mainly including Canadian dollar, Euro and GBP.

The value of the Renminbi is subject to changes in the PRC government's policies and depends to a large extent on domestic and international economic and political developments as well as supply and demand in the local market. Effective from July 21, 2005, the Renminbi is no longer pegged solely to the US dollar. Instead, it is pegged against a basket of currencies, determined by the People's Bank of China, or PBOC, against which its value can rise or fall by as much as 0.3% each day. Under the new policy, the Renminbi is permitted to fluctuate within a narrow and managed range in relation to a basket of specified foreign currencies. Since then, the PRC

government has made, and may in the future make, further adjustments to the exchange rate system. On June 19, 2010, the PRC government announced its intention to further relax its currency policy, and the Renminbi slightly appreciated against the US dollar. We cannot assure you that the Renminbi will not experience significant appreciation against the US dollar again. Fluctuations in exchange rates may adversely affect the value, translated or converted into US dollars, of our earnings.

In addition, under the current foreign exchange regime in the PRC, there can be no guarantee that sufficient foreign currency will be available at a given exchange rate to satisfy the demands of a particular enterprise in full. There can also be no assurance that shortages in the availability of foreign currency will not restrict our ability to obtain sufficient foreign currency to satisfy our foreign currency needs.

The impact of future exchange rate fluctuations among these currencies on our results of operations and financial condition cannot be accurately predicted, and there can be no assurance that our attempt to mitigate the adverse effects of exchange rate fluctuations will be successful or that such exchange rate fluctuations will not in the future have a material adverse effect on our results of operations, financial condition and prospects.

We face risks related to natural disasters, health epidemics, outbreaks of contagious diseases and other calamities.

We are vulnerable to natural disasters and other calamities. Fire, floods, typhoons, earthquakes, power loss, telecommunications failures, break-ins, war, riots, terrorist attacks or similar events may give rise to server interruptions, breakdowns, system failures or internet failures, which could cause the loss or corruption of data or malfunctions of software or hardware as well as adversely affect our ability to provide our products and services.

Our business could also be adversely affected by the effects of H1N1 flu, H7N9 flu, avian flu, Severe Acute Respiratory Syndrome, or SARS, COVID-19 or other epidemics. Our business operations could be disrupted if any of our employees is suspected of having H1N1 flu, H7N9 flu, avian flu, SARS, COVID-19 or another contagious disease or condition, since it could require our employees to be quarantined and/or our offices to be disinfected. In addition, our results of operations could be adversely affected to the extent that any of these epidemics harms the global economy in general.

Risks Relating to the ROC

Disruptions in the ROC's political environment could seriously harm our business.

The Company's principal executive office and a significant portion of our assets are located in Taiwan. Accordingly, our financial condition and results of operations and the market price of the Bonds and the Shares may be affected by changes in governmental policies, taxation, inflation, interest rates, social instability and other political, economic, diplomatic or social developments in or affecting Taiwan which are outside of our control. In addition, Taiwan has a unique international political status. Relationships between the ROC and the PRC have at times been strained and have recently been particularly fraught. Past developments in relationships between the ROC and the PRC have occasionally affected the market prices of the securities of companies in Taiwan. Any changes in the cross-strait relationship could adversely affect our business and the market value of the Bonds and the Shares.

The value of the Bonds and the Shares may be adversely affected by the volatility of the Taiwan securities market.

The Taiwan securities market is smaller and more volatile than the securities markets in the United States and in certain European and other countries. The TWSE has experienced substantial fluctuations in the prices and trading volumes of listed securities, and there are currently limits on the range of daily price movements on the TWSE. From time to time, the ROC regulatory agencies have intervened in the Taiwan stock market during periods of extreme volatility. In addition, the TWSE has experienced problems such as market manipulation, insider trading and payment defaults. The recurrence of these or similar problems could adversely affect the market price and liquidity of the securities of Taiwan companies, including the Bonds and the Shares, in both the domestic and the international markets.

Foreign exchange approvals may be required.

Under existing ROC law, foreign exchange approvals must be obtained from the CBC on a payment-by-payment basis for the conversion from NT dollars into foreign currencies in connection with the proceeds from the sale of subscription rights for newly issued Shares by the Depositary or a Non-ROC Holder of Bonds if the

proceeds are in excess of US$100,000 (or its equivalent) per remittance. Although such approvals have been routinely granted in the past, there can be no assurance that in the future any such approvals will be obtained in a timely manner, or at all. In addition, foreign persons may, subject to certain required documents, and without foreign exchange approval of the CBC, remit out of or into the ROC foreign currencies of up to US$100,000 (or its equivalent) for each remittance. Notwithstanding the above, CBC may, depending on the economic and financial situation and the need to maintain the order of the foreign exchange market, require that certain conversions exceeding a certain amount per year should be subject to the foreign exchange approval from the CBC. There can be no assurance that no requirement for approval of such remittance will continue being applicable in the future.

Financial reporting requirements and accounting standards in the ROC differ from those of other countries.

We are subject to financial reporting requirements in the ROC. Our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 have been prepared and presented in accordance with T-IFRSs. While there are no significant differences between T-IFRSs and IFRS as applied to us, T-IFRSs may differ in significant respects from those applicable to companies in certain other countries including the United States. Potential investors should consult their own professional advisers for an understanding of such differences and how they might affect the financial information contained herein.

We publish monthly operating revenue information as part of our ongoing reporting obligations and such information is subject to change due to normal quarter-end closing procedures and excludes certain expenses and other information necessary to be indicative of actual financial results.

We post monthly sales information on the website of MOPS, as part of our ongoing reporting obligation as a listed company on the TWSE. Such information is preliminary, and is subject to change, upon adjustments and after the completion of our normal quarter-end closing process. Actual sales could differ materially from the preliminary information posted on MOPS. Furthermore, our preliminary operating revenue only reflects sales information up to July 2026 and may not be indicative of our net profit/loss for that month. As a result, you should not place undue reliance on such information.

Taiwan is susceptible to natural disasters that could disrupt the normal operations of our business and adversely affect earnings.

We maintain our headquarters and some of our warehouses in Taiwan. Taiwan is susceptible to natural disasters and in particular, earthquakes and typhoons. In September and October 1999, June 2000 and April 2024, Taiwan experienced severe earthquakes that caused significant property damage and loss of life. These earthquakes caused damage to operating facilities and adversely affected the operations of many companies. Taiwan is also susceptible to typhoons, which may cause damage and business interruptions to operations in Taiwan. In August 2009, Taiwan experienced severe damage from Typhoon Morakot, which caused over 600 deaths, severe flooding and extensive damage to properties and businesses. Although we did not experience major structural damage to our Taiwan facilities from such earthquakes or typhoons, there can be no assurance that future natural disasters will not occur and result in major damages to our Taiwan facilities, which could have a materially adverse effect on our results of operations and financial condition.

You may not be able to enforce a judgment of a foreign court in the ROC.

We are a company limited by shares and incorporated under the ROC Company Act. Substantially all of our directors and executive officers are residents of the ROC. As a result, it may be difficult for holders of the Shares or Bonds to enforce against us the judgments obtained outside the ROC, including those predicated upon the civil liability provisions of the federal securities laws of the United States or the laws of other jurisdictions. It is also not certain that an action for civil liabilities predicated solely on the United States federal securities laws or the laws of other jurisdictions could be brought in the ROC court.

Our future tax obligations may adversely affect our profitability.

The ROC government enacted the ROC Income Basic Tax Act, also known as the "Alternative Minimum Tax Act," or the AMT Act, which became effective on January 1, 2006 to impose an alternative minimum tax and to remedy the then excessive tax incentives for individuals and businesses. Alternative minimum tax, or AMT, is a supplemental tax which is payable if the income tax payable pursuant to the ROC Income Tax Act is below the minimum amount prescribed under the AMT Act. For the purpose of calculating the AMT, the taxable income

defined under the AMT Act includes most income that is exempted from income tax under various legislations, such as those providing tax holidays and investment tax credits.

For businesses, the income that previously enjoyed tax-exemption privileges under relevant tax regulations, such as the Act for the Establishment and Administration of the Science Parks and Statute for Upgrading Industries, will be subject to the AMT system for the calculation of business taxpayers' aggregate incomes. The AMT rate for business entities was 10% prior to 2013 and has increased to 12% since 2013. Under the AMT Act, a company will be subject to a 12% AMT if its annual taxable income under the AMT Act exceeds NT$0.6 million. However, the AMT Act grandfathered certain tax exemptions granted prior to the enactment of the AMT. As the tax exemption periods expire or in the event of an increase in other taxable income subject to the AMT Act, it may adversely impact our net income after tax.

Additionally, starting from January 1, 2023, the earnings of a controlled foreign company ("**CFC**") will be recognized by a ROC profit-seeking enterprise even if the earnings are not distributed. The recognized earnings will be included in its taxable income of the current year and be subject to income tax accordingly pursuant to Article 43-3 of the ROC Income Tax Act and the Regulations Governing Application of Recognizing Income from Controlled Foreign Company for Profit-Seeking Enterprise ("**CFC Rules**"). The adoption of CFC Rules intends to eliminate the deferral of taxation on overseas profits and discourage businesses from leaving earnings in foreign jurisdictions.

CFC refers to a corporation established in a low-tax territory (i.e., a country or jurisdiction where the tax rate of profit-seeking enterprise income tax or similar tax is 14% or less or a country or jurisdiction which does not tax income derived offshore or only taxes income remitted into such territory) that is 50% or more owned (directly or indirectly) or significantly influenced by a ROC profit-seeking enterprise and its related party. The term "significant influence" means the profit-seeking enterprises and their related parties have control over such company's personnel, finance, business operations or management policies.

Exemptions apply when (a) the CFC has substantial operating activities in such country or jurisdiction, or (b) the current-year surplus earnings of an individual CFC are NT$7 million or less. However, if the sum of the current-year's surplus earnings or losses of all CFCs under the control of the same ROC profit-seeking enterprise exceeds NT$7 million, the investment income derived from each CFC will be subject to CFC Rules. The term "substantial operating activities" refers to the CFC (i) has fixed place of business at the country/jurisdiction of incorporation and hires employees operating business therein; and (ii) its passive income (e.g., investment proceeds, dividends, interests, royalties, rental income, gains from the sale of assets) is less than 10% of aggregate amount of operating revenue and non-operating revenue. The CFC Rules may impact our net income after tax.

In addition, we are within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). The Pillar Two legislation was enacted in Canada, the European Union and South Korea, and took effect from fiscal year 2024. For certain subsidiaries incorporated in Singapore and Hong Kong, the Pillar Two legislation has taken effect from fiscal year 2025.

Under the Pillar Two legislation, we are liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. We have taken into account the complexities in applying the legislation and calculating GloBE income as well as the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12. This assessment indicates that for companies registered in Canada, the European Union and South Korea, the average effective tax rate based on accounting profit is over 15% for the years ended December 31, 2025. For certain subsidiaries registered in Singapore, we recognized current income tax expense related to Pillar Two income taxes amounting to NT$288.4 million for the year ended December 31, 2025. We have no related significant current tax exposure as of December 31, 2025.

We have applied the amendments to IAS 12. 'Income tax' issued on May 23, 2023 and applied the exception to the recognition and disclosure of information about deferred tax assets and liabilities related to Pillar Two income taxes. As the Pillar Two legislation is expected to be enacted in more countries going forward, it could impact our net income after tax in the future.

Our future investment in the PRC or other countries may be restricted by the ROC laws and regulations.

Under Taiwan Relations Between Peoples of the Taiwan Area and the Mainland Area Act (the "**Act**"), Taiwanese nationals and companies may only invest in the PRC after obtaining the prior approval of the DIR unless the aggregate investment amount is US$1,000,000 or less. The DIR has supervisory and regulatory

authority for matters relating to, among other things, inbound investment in Taiwan companies by non-ROC persons and overseas ROC nationals, and outbound investments by Taiwan companies or individuals. Under current ROC law, ROC companies are required to obtain prior approval from or, within the period of time prescribed by relevant laws and regulations, a post filing with the DIR for making certain investments in any other jurisdictions outside Taiwan under certain circumstances. There is no assurance that we will be able to continue to satisfy the requirements for, or otherwise obtain, permits or approvals for current and future projects. Failure to obtain, maintain or renew such permits and approvals may impede or hinder our operations, expansion and adversely affect our financial condition, results of operations and business prospects.

Risks Relating to the PRC

We are subject to the political and economic environment in the PRC.

Currently, some of our subsidiaries and customers are located in the PRC and we may make further investments in the PRC in the future. Accordingly, our results of operations, financial condition and future prospects are subject, to a significant degree, to the political and economic environment and legal developments in the PRC. There can be no assurance that our investments in the PRC and our operations in the PRC will not be adversely affected if relations between the PRC and the ROC are further strained.

The PRC government has broad discretion and authority to regulate the technology industry in the PRC, and the government has implemented policies from time to time to regulate economic expansion in the PRC. Although in recent years the PRC government has implemented measures emphasizing the use of market forces for economic reform, it continues to play a significant role in regulating industrial development. It also exercises significant control over the PRC's economic growth through the allocation of resources, controlling payment of foreign currency-denominated obligations, setting monetary policy, and providing preferential treatment to particular industries or companies.

While the PRC's economy has experienced significant growth in the past decades, growth has been uneven both geographically and among various sectors in the economy. The PRC government has implemented various measures to encourage economic growth and to guide the allocation of resources.

Some of these measures benefit the overall economy of the PRC but may have a negative effect on us. For example, our business, results of operations, and financial condition may be adversely affected by governmental control over capital investments or changes in tax regulations.

Uncertainties in the PRC legal system could adversely affect our business and results of operations.

The PRC legal system is based on written statutes and court decisions can only be cited as reference. As these laws and regulations are continually evolving in response to changing economic and other conditions, and because of the limited volume of published cases and their non-binding nature, the interpretation and enforcement of such laws and regulations involve uncertainties. Furthermore, the recognition and enforcement of foreign judgments are provided for under the PRC Civil Procedural Law. PRC courts may recognize and enforce foreign judgments in accordance with the requirements of the PRC Civil Procedural Law based either on treaty between the PRC and the country where the judgment is made or on reciprocity between jurisdictions, provided that the foreign judgments do not violate the basic principles of laws of the PRC or its sovereignty, security, or social and public interest. Therefore, in the case a foreign judgment is rendered by a foreign court where the country and the PRC do not have any treaties or other agreements that provide for the reciprocal recognition and enforcement of foreign judgments, such a judgment may not be enforced by a PRC court.

Our activities in the PRC will be subject to administrative review and approval by various national and local agencies of the PRC government. Due to the changes occurring in the legal and regulatory structure of the PRC, we may not be able to secure the required governmental approval for our activities. In addition, local government authorities may adopt their own policies and practices. Failure to obtain the requisite governmental approval or to comply with the local government's policies or practices for any of our activities could adversely affect our business and operating results.

We cannot predict the effects of future developments of the PRC legal system, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, the preemption of local regulations by national laws or the overturn of local governments' decisions by the central government. These uncertainties may limit the legal protections available to us. In addition, any litigation in the PRC may be protracted and result in substantial costs and diversion of our resources and management's attention.

Risks Relating to Ownership of the Bonds and the Common Shares

There are limitations on the Bondholders' ability to exercise conversion rights.

The Bondholders will not be able to exercise Conversion Rights (as defined in "Description of the Bonds") during any Closed Period (as defined in "Description of the Bonds"). In addition, under the current ROC laws, regulations and policies, a PRC person is not permitted to convert the Bonds or to register as the Company's shareholder unless (i) it is a qualified domestic institutional investor meeting the qualifications required under the laws of the PRC and has been approved by the competent authority in the PRC and is permitted to make securities investments or trade futures in the ROC ("**QDII**"), who will hold less than 10% of the Issuer's issued shares after conversion of the Bonds, (ii) it otherwise obtains the prior approval of the Department of Investment Review of the Ministry of Economic Affairs if all the business items are within the positive list promulgated by the ROC government from time to time and it will hold 10% or more (or other threshold required by the regulators) of the Issuer's issued shares after conversion of the Bonds, or (iii) it is permitted under the laws and regulations of the ROC in effect at the time of the application of the conversion. There are also limits on the amount remitted to the ROC for investments by QDIIs, separately and jointly. A QDII shall register with the TWSE and obtain QDII Investment I.D. to make investments in the ROC securities market and an eligible agent shall be appointed by a QDII in the ROC to open a securities trading account and a bank account, to pay ROC taxes, remit funds, exercise shareholders' rights and perform such other functions as a QDII may designate. In addition, a custodian of a QDII must apply with the TWSE for the remittance amount of each QDII which cannot exceed US$100 million, the total investment amount of all QDIIs may not exceed US$500 million, and such QDII can only invest in the ROC securities market with the amount approved by the TWSE. Subject to compliance with the foregoing applicable laws and regulations of the ROC, a QDII may convert the Bonds and hold the Common Shares. Accordingly, the qualification criteria for a PRC person or a QDII to make investment and the investment threshold imposed by the FSC and the TWSE may cause a Bondholder who is a PRC person or a QDII to be unable to convert the Bonds and hold the Common Shares. Under current ROC laws, "**PRC person**" refers to (A) an individual holding a passport issued by the PRC or PRC residence registration (including an individual who previously held a PRC passport or PRC residence registration but has given up his or her PRC citizenship and converted to the citizenship of another jurisdiction for less than four years or has not stayed outside the PRC for a period of over four years, but not including a resident in a special administrative region of the PRC such as Hong Kong and Macau, if so excluded by applicable laws of the ROC), (B) any agency or instrumentality of the PRC or any corporation, partnership or other entity of any area under the effective control or jurisdiction of the PRC (but not including a special administrative region of the PRC such as Hong Kong or Macau, if so excluded by applicable laws of the ROC), or (C) any corporation, partnership or other entity organized under the laws of any other jurisdiction outside of the PRC that either (x) is directly or indirectly controlled by, or (y) directly or indirectly has more than 30% of its capital owned by, or beneficially owned by any such person referred to in (A) or (B).

Common Shares or any securities that are substantially similar to the Common Shares, including any securities that may be convertible into, or exchangeable for, the Common Shares that are eligible for future sale by the Company or the Company's current shareholders, may adversely affect the value of your investment.

The market prices of the Bonds and the Common Shares could decline as a result of sales of a large number of the Company's Common Shares or any securities that are substantially similar to the Common Shares including, but not limited to any securities that may be convertible into, or exchangeable for, the Common Shares after this Offering or the perception that such sales could occur. In connection with the Offering, the Company agreed to certain lock-ups, subject to certain exceptions, for a period of 90 days after the Closing Date not to offer, pledge, sell, contract to sell or otherwise dispose of any Bonds or Common Shares or any securities convertible into or exercisable or exchangeable for Bonds or Common Shares without the prior written consent of the Initial Purchasers. Nevertheless, the Initial Purchasers may lift or waive all or some of these restrictions at their sole discretion, and when the applicable restrictive period expires, the Company will be able to sell or otherwise dispose of the Common Shares, subject to legal restrictions. In addition, we cannot assure you that any of the Company's shareholders will not sell, or otherwise dispose of, the Common Shares. If the Company's shareholders sell a large number of the Common Shares after this Offering, the market price of the Bonds and the Common Shares could be depressed and the value of your investment could substantially decrease. The market prices of the Common Shares and the Bonds could also decline if substantial amounts of the Common Shares or securities convertible or exchangeable into the Common Shares are sold after the closing of this Offering, or if there is a perception that these sales could occur.

A liquid market for the Bonds may not develop, and the market for the Common Shares may not be liquid.

Prior to this Offering, there has been no market for the Bonds. Approval in-principle has been received from the SGX-ST for the listing of the Bonds on the SGX-ST. An active trading market for the Bonds might not develop.

The Bonds have not been registered under the securities laws of the United States or elsewhere and cannot be publicly offered, sold, pledged or otherwise transferred in any jurisdiction where such registration may be required. The Bonds may not be publicly offered or sold, directly or indirectly, in the ROC. Furthermore, there has been no trading market for the Common Shares outside the ROC, and the only trading market for the Common Shares is the TWSE.

Holders of the Bonds will bear the risk of fluctuations in the price of the Common Shares.

The market price of the Bonds at any time will be affected by fluctuations in the price of the Common Shares. It is impossible to predict how the price of the Common Shares will change. Trading prices of the Common Shares will be influenced by, among other things, our results of operations and political, economic, financial and other factors that affect capital markets generally. Any decline in the price of the Common Shares would adversely affect the market price of the Bonds.

Fluctuations in the exchange rate between the NT Dollar and the US dollar may have a material adverse effect on the value of the Bonds in US dollar terms.

Although the principal amount of the Bonds is denominated in US dollars, the Common Shares are listed on the TWSE, which quotes and trades the Common Shares in NT dollars. As a result, fluctuations in the exchange rate between the NT Dollar and the US dollar will affect, among other things, the market price of the Bonds and the US dollar equivalent of the Common Shares received upon conversion of the Bonds.

Furthermore, the Bonds are currency-linked debt instruments. Bondholders are required to pay the subscription money for the Bonds in US dollars, while all amounts due from the Company under the Bonds, will be settled in US dollars, translated to NT dollars at the Fixed Exchange Rate and then translated back to US dollars at the Prevailing Rate. Accordingly, the US dollar return on the Bonds, or yield to maturity, will depend on the principal amount converted into US dollars at the prevailing exchange rate at the time of payment. Any volatility of the exchange rate between NT dollar and the US dollar during the term of the Bonds will affect the return on the Bonds, or yield to maturity, in US dollars. In particular, any devaluation of the NT dollar against the US dollar during the term of the Bonds will decrease the US dollar return on the Bonds and will result in the yield to maturity of the Bonds in US dollars being less than the stated yield to maturity of the Bonds. In the event of a material devaluation of the NT dollar against the US dollar, Bondholders may not receive the full US dollar subscription amount upon redemption of the Bonds.

Holders of the Bonds will have no rights as shareholders until they receive the Common Shares upon conversion of the Bonds.

Unless and until the holders of the Bonds receive the Common Shares upon conversion of the Bonds, the holders of the Bonds will have no rights as shareholders, including any voting rights or rights to receive any dividends or other distributions with respect to the Common Shares. Subject to the Indenture and other applicable ROC laws, holders of the Bonds who receive the Common Shares upon the exercise of their conversion rights will be entitled to exercise the rights of shareholders only as to actions for which the applicable record date occurs after the Conversion Date.

Holders of the Bonds are subject to government-imposed requirements of appointing a tax guarantor and local agent in the ROC.

Under current ROC laws, a non-ROC converting Holder who is not a PRC person, before exercising the conversion right, is required to register with the TWSE for making investments in the ROC securities market. Such non-ROC converting Holder is also required to appoint a local agent in Taiwan which meets the qualifications that are set from time to time by the Financial Supervisory Commission to open a securities trading account with a local brokerage firm and a bank account to remit funds, pay taxes, exercise shareholders' rights and perform such other functions as may be designated by such Holder. In addition, such non-ROC converting Holder must also appoint a local bank approved by the FSC to act as custodian in Taiwan to hold the securities and any cash proceeds for safekeeping, to make confirmation and settlement of trades and to report all relevant information. Furthermore, such non-ROC converting Holder, when converting the Bonds or registers as the

Company's shareholder, is required to appoint an agent, referred to as a Tax Guarantor, in Taiwan which meets the qualifications that are set from time to time by the Ministry of Finance of the ROC for filing tax returns and making tax payments on their behalf. Without meeting such requirements, such non-ROC converting Holder would not be able to hold or sell or otherwise transfer Common Shares into which the Bonds may be converted on the TWSE or otherwise. We cannot assure that such non-ROC converting Holder will be able to appoint and obtain approval for a tax guarantor in a timely manner, if at all. For more details, see "Appendix B: Foreign Investment and Exchange Controls in the ROC" in this Offering Circular.

Holders of the Bonds may be subject to the income tax imposed by the ROC when they sell the Common Shares delivered upon conversion of the Bonds.

As used in this section, a "**Non-ROC Resident Individual**" is a foreign national individual who owns the Bonds or the Common Shares and does not have a domicile in the ROC and is not physically present in the ROC for 183 days or more during any calendar year, and a "**Non-ROC Resident Entity**" is a corporation or a non-corporate body that owns the Bonds or the Common Shares and is organized under the laws of a jurisdiction other than the ROC and has no fixed place of business or business agent in the ROC. "**Non-ROC Resident Individuals**" and "**Non-ROC Resident Entities**" are jointly referred to as "**Non-ROC Holders**".

Capital gains realized from the sale or disposal of the Company's Common Shares are currently exempt from ROC income tax under Article 4-1 of the ROC Income Tax Act. There is no assurance that capital gains realized from the sale or disposal of the Company's Common Shares may be able to be exempted from ROC income tax in the future.

A holder of the Bonds or its designee requesting the conversion of the Bonds may be required to provide certain information to the Company or the Conversion Agent, and failure to provide such information may result in a delay of the conversion.

A holder of the Bonds or its designee requesting the conversion of the Bonds may be required to provide certain information to the Company or the Conversion Agent, including the name and nationality of the person to be registered as the shareholder, the number of Common Shares the person is acquiring and has acquired in the past as a result of the conversion of the Bonds it holds, the Conversion Date, or such other information as may be reasonably required, before such conversion is effected. Under applicable ROC laws, the Company is required to report to the FSC if the person to be registered as a shareholder (i) is a "related party" of the Company as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers or (ii) will own, immediately following such conversion, more than 10% of the total number of the Common Shares (including the Commons Shares issued upon conversion of such Bonds). Failure to provide such information may cause the delay or rejection of such conversion of the Bonds.

The value of the Common Shares and the Bonds may be adversely affected by the volatility of the ROC securities market.

The ROC securities market is smaller and more volatile than the securities markets in the United States and in certain European countries. The TWSE has experienced substantial fluctuations in the prices, and has shown particular volatility following certain political events, market events and scandals. Also, there are currently limits on the range of daily price movements on the TWSE. From time to time, the ROC regulatory agencies have intervened in the ROC stock market during periods of extreme volatility. On June 30, 2026, the TWSE Index closed at 46,125.91. See "Appendix A: The Securities Markets of the ROC". The TWSE has experienced problems such as market manipulation, insider trading and payment defaults. The recurrence of these or similar problems could adversely affect the market price and liquidity of the securities of ROC companies, including the Bonds and the Common Shares, in both domestic and international markets.

In response to major past declines and volatility in the securities markets in the ROC, and in line with similar activities by other countries in Asia, the ROC government formed the National Stabilization Fund in 2000, which has purchased, and may from time to time purchase, shares listed on the TWSE to support these securities markets in the ROC. In addition, other funds associated with the ROC government have in the past purchased, and may from time to time purchase, shares listed on the TWSE or other securities markets in the ROC. In the future, market activity by government entities, or the perception that such activity is taking place, may take place or has ceased, may cause fluctuations in the market prices and liquidity of the Common Shares.

The Company's public shareholders may have more difficulty in protecting their interests than they would as a shareholder of a corporation of other jurisdictions.

The Company's corporate affairs are mainly governed by its Articles of Incorporation and ROC Company Act. The rights of its shareholders to bring shareholders' suits against its management, controlling shareholders or board of directors under ROC laws are much more limited than those of the shareholders of corporations of some other jurisdictions. Therefore, the Company's public shareholders may have greater difficulty in protecting their interests in connection with actions taken by its management, members of board of directors or controlling shareholders than they would as shareholders of corporations of other jurisdictions.

A Bondholder's right to receive payments on the Bonds is structurally subordinated.

The Bonds will be effectively subordinated to any of the Company's secured obligations with respect to assets that secure such obligations. The terms of the Bonds do not prevent the Company from incurring additional debt in the future, and the Company is generally permitted to secure this indebtedness, although the Company's existing financial covenants may restrict the Company's future borrowings. If the Company incurs further indebtedness, its ability to make payments on the Bonds and, if required, to redeem the Bonds may be adversely affected.

The Company may not have the ability to redeem the Bonds in cash if investors exercise the early redemption right upon the occurrence of a change of control or delisting.

The Company may be required by Bondholders to redeem for cash all or some of their Bonds upon a transaction or event constituting a change of control or delisting as described under "Description of the Bonds". The Company may not have sufficient funds or other financial resources to make the required redemption in cash at such time or the ability to arrange necessary financing on acceptable terms. In addition, the Company's ability to redeem the Bonds in cash may be limited by law, by the terms of other agreements relating to the Company's senior debt, and by indebtedness and agreements that the Company may enter into in the future which may replace, supplement or amend its existing or future indebtedness. If the exercise of the redemption right upon the occurrence of a change of control or delisting occurs at a time when the Company is prohibited from redeeming the Bonds, the Company could seek the consent of lenders to redeem the Bonds or could attempt to refinance the borrowings that contain this prohibition. If the Company is not able to obtain consent or refinance these borrowings, the Company could remain prohibited from redeeming the Bonds. The Company's failure to redeem Bonds would constitute an event of default, which might constitute a default under the terms of the Company's other indebtedness at that time.

The Company may call the Bonds prior to maturity if the Company has or will become obligated to pay additional amounts as a result of certain changes in applicable tax law.

The Company may call the Bonds prior to maturity if the Company has or will become obligated to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations. In such an event, each Bondholder will have the right to elect that his Bond(s) shall not be redeemed but, in that case, subject as provided in "Description of the Bonds— Redemption of the Bonds — Redemption for Taxation Reasons", no additional amounts will be payable on the electing Bondholder's Bonds after the relevant tax redemption date and payment of all amounts shall be made subject to the deduction of withholding of any taxation required to be withheld or deducted. See "Description of the Bonds — Redemption of the Bonds — Redemption for Taxation Reasons".

Bondholders have limited anti-dilution protection.

The conversion price of the Bonds will be adjusted in the event that there is a free distribution, bonus issue, division, consolidation and reclassification, declaration of dividends, rights issue, warrants issue, capital distribution or other adjustment, but only in the circumstances and only to the extent provided in "Description of the Bonds — Conversion — Adjustments to the Conversion Price". There is no requirement that there should be an adjustment for every corporate or other event that may affect the value of Common Shares. Events in respect of which no adjustment is made may adversely affect the value of Common Shares and, therefore, adversely affect the value of the Bonds.

Future issues, offers or sales of Common Shares may hurt the value of the Bonds.

The market price of the Bonds and Common Shares could decline as a result of future issues, offers or sales of a large number of Common Shares, or securities convertible into or exercisable for Common Shares, or any securities or financial instruments whose economic value is determined, directly or indirectly, by reference to the market price of Common Shares, or the perception that such issues, offers or sales could occur. If a large number of Common Shares is sold, the market price for the Bonds or Common Shares could be depressed.

The Description of the Bonds and the Indenture contain provisions which may permit their modification without the consent of all investors.

The Description of the Bonds and the Indenture contain provisions permitting defined majorities to bind all Bondholders including Bondholders who did not submit their consent and Bondholders who voted in a manner contrary to the majority, as fully described in "Description of the Bonds – Meeting of Bondholders; Modification and Waiver".

The Description of the Bonds and the Indenture also provide that the Issuer together with the Trustee may from time to time and at any time, without the consent of any Bondholder, amend the Indenture for certain matters, as fully described in "Description of the Bonds – Meeting of Bondholders; Modification and Waiver".

The Trustee may request that the Bondholders provide indemnity, security and/or prefunding to its satisfaction.

In certain circumstances, the Trustee may (at its sole discretion) request the Bondholders to provide indemnity, security, and/or prefunding to its satisfaction before it takes steps and/or actions and/or institutes proceedings on behalf of Bondholders. The Trustee shall not be obligated to take any such steps and/or actions and/or institute such proceedings if not indemnified, secured, and/or prefunded to its satisfaction. Negotiating and agreeing to any indemnity, security, and/or prefunding can be a lengthy process and may impact when such steps and/or actions can be taken and/or such proceedings can be instituted. The Trustee may not be able to take such steps and/or actions and/or institute proceedings, notwithstanding the provision of indemnity, security or prefunding to it, in breach of the terms of the indenture governing the Bonds and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Bondholders to take such actions directly.

USE OF PROCEEDS

The gross proceeds to be received by the Company from this Offering of the Bonds will be approximately US$500.0 million. The Company will use the net proceeds for the procurement of raw materials denominated in foreign currencies.

DIVIDENDS AND DIVIDEND POLICY

The following table sets forth the dividends per Common Share or Preferred Share declared in respect of each of the years ended December 31, 2023, 2024 and 2025.

	Cash Dividend Per Share[1]	Total Dividend Amount	
	NT$	*NT$*	*US$[4]*
		(In thousands)	
2023 Cash dividends of ordinary shareholders[2]	1.800	2,008,438	63,059
2023 Dividends on Preferred Shares[3]	2.000	270,000	8,477
2024 Cash dividends of ordinary shareholders[2]	6.000	6,727,486	211,224
2024 Dividends on Preferred Shares[3]	2.000	270,000	8,477
2025 Cash dividends of ordinary shareholders[2]	7.800	9,899,357	310,812
2025 Dividends on Preferred Shares[3]	2.118	285,889	8,976

(1) Our cash dividend is declared in New Taiwan dollar amount per share.

(2) A shareholder receives a cash dividend equal to the New Taiwan dollar amount per Share of dividend declared multiplied by the number of Shares owned by the shareholder.

(3) Preferred Shares are issued at the price of NT$50.00 and calculated at a dividend yield of 4%; for the period from October 15, 2025 to December 31, 2025, the dividend on Preferred Shares shall be calculated at a reset annual dividend yield of 5.1015%.

(4) The US dollar amount of cash dividends paid is calculated based upon the Noon Buying Rate as set forth in the weekly H.10 statistical release of the Federal Reserve Board for June 30, 2026 of NT$31.85 to US$1.00.

We are generally not permitted under the ROC Company Act to distribute dividends to shareholders for any fiscal year in which we have not generated net income. Our Articles of Incorporation provide that the current year's earnings, if any, must first be used to pay all taxes and offset prior years' accumulated losses, and then 10% of the remaining amount must be set aside as legal reserve unless the accumulated legal reserve equals the paid-in capital. Additionally, we may set aside a special reserve as required by and in accordance with relevant regulations or the relevant regulatory authority when necessary. The remainder of the current year's earnings, if any, along with the undistributed retained earnings from previous years being the accumulated distributable earnings, will be distributed as the dividend of Preferred Shares in the first priority and the distribution of earnings will be proposed by our Board of Directors and reported to our shareholders' meeting. Our Articles of Incorporation stipulate our dividend policy that as a principle, not less than 40% of our distributable earnings of the fiscal year shall be distributed as dividend; the ratio of cash dividends and stock dividends shall be decided by taking into account the future profits and capital need, and at least 10% of the distributions shall be cash dividend. If the total distribution amount exceeds 30% of our paid-in capital before distribution, cash dividend shall be no less than 20% of total distribution for the fiscal year. Pursuant to Article 240 of the ROC Company Act, we have authorized the Board of Directors to distribute a portion or all of dividends, bonuses or legal reserve and capital surplus in accordance with Article 241 of the ROC Company Act in cash by resolution adopted by a majority of the vote in a meeting attended by two-thirds or more of the directors, and the distribution shall then be reported to the shareholders' meeting, instead of being submitted to the shareholders' meeting for approval. See "Description of Our Share Capital." In addition, pursuant to our Articles of Incorporation, if we have profits (which means profits before tax without deducting the remuneration of our employees and directors) in the fiscal year, we will allocate between 0.5% and 5% of such profits to employees as employees' compensation, with a minimum of 10% of such employees' compensation to be allocated to entry-level employees and not more than 3% to directors as their remuneration; provided, however, that when we have accumulated losses, the profits shall be reserved to make up for losses. The employees' remuneration may, subject to a resolution of the Board of Directors, be distributed to employees in the form of cash or shares or a combination thereof and the directors' compensation should be distributed in the form of cash.

We had issued 135,000,000 Class A Preferred Shares with non-cumulative dividends in cash. The dividend yield of these Class A Preferred Shares was subject to reset every 5 years after the issuance date. The dividend yield was 5.1015% per annum, which was last set on October 13, 2025 and became effective on October 15, 2025. On January 15, 2026, the Company's chairman approved a resolution to redeem all the Class A Preferred Shares. The effective date of redemption as well as the delisting date was set on February 26, 2026, and we redeemed all the Class A Preferred Shares at the original actual issue price.

For information relating to ROC withholding taxes payable on dividends, see "Taxation."

CAPITALIZATION

The following table sets forth our actual consolidated capitalization as of June 30, 2026, and as adjusted to give effect to this Offering. This table shall be read in conjunction with our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026, including the notes thereto, included elsewhere in this Offering Circular. There has been no significant change in our financial condition, capitalization or prospects since June 30, 2026. The amounts in US dollars are provided solely for the convenience of the reader.

The as adjusted basis gives effect to (i) the issuance of the Bonds; and (ii) the Concurrent GDS Offering, each before deducting underwriting discounts and commissions and other offering expenses.

	As of June 30, 2026			
	Actual		As adjusted for the issuance of Bonds under this Offering and the Concurrent GDS Offering	
	NT$ *(unaudited)*	*US$* *(unaudited)*	*NT$* *(unaudited)*	*US$* *(unaudited)*
	(in thousands)			
Short-term borrowings				
Short-term borrowings	53,125,544	1,667,992	53,125,544	1,667,992
Long-term liabilities, current portion	400,000	12,559	400,000	12,559
Long-term borrowings				
Long-term loans	400,000	12,559	400,000	12,559
Convertible bonds payable	10,854,968	340,815	26,779,958[1]	840,815[1]
Equity				
Share capital	12,705,867	398,928	13,455,867[2]	422,476[2]
Capital surplus	61,430,096	1,928,731	74,534,829[2]	2,340,183[2]
Retained earnings	45,486,312	1,428,142	45,486,312	1,428,142
Other equity interest	4,784,304	150,214	4,784,304	150,214
Equity attributable to owners of the parent	124,406,579	3,906,015	138,261,312	4,341,015
Non-controlling interests	268,661	8,435	268,661	8,435
Total equity	124,675,240	3,914,450	138,529,973	4,349,450
Total capitalization[3]	**135,930,208**	**4,267,824**	**165,709,931**	**5,202,824**

(1) Reflecting the issuance of the Bonds of US$500,000,000. The translation of amounts of the Bonds from US dollars into NT dollars has been made at the rate on June 30, 2026 of NT$31.85 = US$1.00. The bifurcation of the equity component and derivatives embedded in the Bonds is not taken into consideration for this as adjusted basis.

(2) Reflecting the Concurrent GDS Offering of US$435,000,000. The translation of amounts of the Concurrent GDS Offering from US dollars into NT dollars has been made at the rate on June 30, 2026 of NT$31.85 = US$1.00. The total Concurrent GDS Offering of NT$13,854,750,000 reflects common shares of NT$750,000,000 and capital surplus of NT$13,104,750,000.

(3) Total capitalization includes total long-term borrowings and total equity.

SELECTED FINANCIAL INFORMATION

The following tables present our selected financial information. The selected financial information as of and for the years ended December 31, 2023, 2024 and 2025 set forth below has been derived from our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 included elsewhere in this Offering Circular and is qualified by reference to, and should be read in conjunction with, our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 included elsewhere in this Offering Circular. The selected financial information as of and for the six months ended June 30, 2025 and 2026 set forth below has been derived from our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026 included elsewhere in this Offering Circular and is qualified by reference to, and should be read in conjunction with, our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026 included elsewhere in this Offering Circular.

Our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 have been prepared and presented in accordance with T-IFRSs, which differs from U.S. GAAP, IFRS or the generally accepted accounting principles of certain other countries. For information relating to the nature and effect of certain differences between IFRS and T-IFRSs as they relate to us, see Note 3 to our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025, and as of and for the six months period ended June 30, 2025 and 2026 included elsewhere in this Offering Circular. Our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026 have been prepared and presented in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IAS34 "Interim Financial Reporting" that came into effect as endorsed by FSC. Our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 have been audited by the independent auditors and included elsewhere in this Offering Circular. Our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026 have been reviewed by our independent auditors and included elsewhere in this Offering Circular. Our historical results do not necessarily indicate results expected for any future periods.

Selected Consolidated Statement of Comprehensive Income

	Year Ended December 31,							Six Months Ended June 30,				
	2023		2024		2025			2025		2026		
	NT$	*%*	*NT$*	*%*	*NT$*	*US$*	*%*	*NT$*	*%*	*NT$*	*US$*	*%*
					(in thousands, except percentages)							
	(Audited)		*(Audited)*		*(Audited)*	*(Unaudited)*				*(Unaudited)*		
Operating revenue	**594,518,813**	**100.0**	**959,431,897**	**100.0**	**1,177,948,907**	**36,984,267**	**100.0**	**506,927,807**	**100.0**	**1,084,966,618**	**34,064,886**	**100.0**
Operating costs	(576,112,549)	(96.9)	(921,829,827)	(96.1)	(1,130,325,080)	(35,489,014)	(96.0)	(484,389,284)	(95.6)	(1,047,780,275)	(32,897,340)	(96.6)
Gross profit	**18,406,264**	**3.1**	**37,602,070**	**3.9**	**47,623,827**	**1,495,253**	**4.0**	**22,538,523**	**4.4**	**37,186,343**	**1,167,546**	**3.4**
Operating expenses												
Selling expenses	(6,383,289)	(1.1)	(16,573,833)	(1.7)	(19,393,040)	(608,887)	(1.6)	(9,842,835)	(1.9)	(10,593,149)	(332,595)	(1.0)
General and administrative expenses	(3,059,840)	(0.5)	(4,815,204)	(0.5)	(5,898,175)	(185,186)	(0.5)	(2,816,459)	(0.6)	(3,102,117)	(97,398)	(0.3)
Research and development expenses	(755,450)	(0.1)	(850,587)	(0.1)	(810,436)	(25,445)	(0.1)	(403,332)	(0.1)	(357,549)	(11,226)	(0.0)
Impairment loss determined in accordance with IFRS 9	(7,762)	(0.0)	(98,126)	(0.0)	(639,996)	(20,094)	(0.0)	(245,029)	(0.0)	(196,106)	(6,157)	(0.0)
Total operating expenses	**(10,206,341)**	**(1.7)**	**(22,337,750)**	**(2.3)**	**(26,741,647)**	**(839,612)**	**(2.2)**	**(13,307,655)**	**(2.6)**	**(14,248,921)**	**(447,376)**	**(1.3)**
Operating profit	**8,199,923**	**1.4**	**15,264,320**	**1.6**	**20,882,180**	**655,641**	**1.8**	**9,230,868**	**1.8**	**22,937,422**	**720,170**	**2.1**
Non-operating income and expenses												
Interest income	151,614	0.0	829,108	0.1	762,233	23,932	0.0	355,682	0.1	529,481	16,624	0.0
Other income	594,130	0.1	492,507	0.0	866,572	27,208	0.1	346,259	0.1	310,728	9,756	0.0
Other gains and losses	148,295	0.0	351,246	0.0	(175,382)	(5,506)	(0.0)	(87,589)	(0.0)	169,625	5,326	0.0
Finance costs	(3,880,037)	(0.6)	(5,080,083)	(0.5)	(5,041,763)	(158,297)	(0.4)	(2,384,106)	(0.5)	(3,162,499)	(99,294)	(0.2)
Share of gain (loss) of associates and joint ventures accounted for using the equity method	(18,560)	(0.0)	(22,314)	(0.0)	105,251	3,305	0.0	(8,859)	(0.0)	464,769	14,592	0.0
Total non-operating income and expenses	**(3,004,558)**	**(0.5)**	**(3,429,536)**	**(0.4)**	**(3,483,089)**	**(109,359)**	**(0.3)**	**(1,778,613)**	**(0.3)**	**(1,687,896)**	**(52,996)**	**(0.2)**
Profit before income tax	**5,195,365**	**0.9**	**11,834,784**	**1.2**	**17,399,091**	**546,282**	**1.5**	**7,452,255**	**1.5**	**21,249,526**	**667,174**	**1.9**
Income tax expense	(1,216,531)	(0.2)	(2,628,699)	(0.2)	(3,832,620)	(120,333)	(0.3)	(1,901,298)	(0.4)	(4,529,234)	(142,205)	(0.4)
Profit for the period / year	**3,978,834**	**0.7**	**9,206,085**	**1.0**	**13,566,471**	**425,949**	**1.2**	**5,550,957**	**1.1**	**16,720,292**	**524,969**	**1.5**
Total other comprehensive (loss) income for the period / year	10,914,983	1.8	6,069,958	0.6	(12,140,237)	(381,169)	(1.1)	(23,055,353)	(4.5)	6,329,259	198,721	0.6

	Year Ended December 31,							Six Months Ended June 30,				
	2023		2024		2025			2025		2026		
	NT$	%	NT$	%	NT$	US$	%	NT$	%	NT$	US$	%
	(in thousands, except percentages)											
	(Audited)		(Audited)		(Audited)	(Unaudited)				(Unaudited)		
Total comprehensive income for the period / year	**14,893,817**	**2.5**	**15,276,043**	**1.6**	**1,426,234**	**44,780**	**0.1**	**(17,504,396)**	**(3.4)**	**23,049,551**	**723,690**	**2.1**
Profit attributable to:												
Owners of the parent	**4,012,142**	**0.7**	**9,112,156**	**1.0**	**13,543,724**	**425,235**	**1.2**	**5,537,099**	**1.1**	**16,722,070**	**525,026**	**1.5**
Non-controlling interest	(33,308)	(0.0)	93,929	0.0	22,747	714	0.0	13,858	0.0	(1,778)	(57)	(0.0)
	3,978,834	0.7	9,206,085	1.0	13,566,471	425,949	1.2	5,550,957	1.1	16,720,292	524,969	1.5
Comprehensive income (loss) attributable to:												
Owners of the parent	14,929,690	2.5	15,130,332	1.6	1,443,048	45,308	0.1	(17,414,267)	(3.4)	23,040,758	723,415	2.1
Non-controlling interest	(35,873)	(0.0)	145,711	0.0	(16,814)	(528)	(0.0)	(90,129)	(0.0)	8,793	275	0.0
	14,893,817	2.5	15,276,043	1.6	1,426,234	44,780	0.1	(17,504,396)	(3.4)	23,049,551	723,690	2.1

Selected Consolidated Balance Sheet Data

	As of December 31,				As of June 30,	
	2023	2024	2025		2026	
	NT$	NT$	NT$	US$	NT$	US$
	(in thousands)					
	(Audited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)	
Current assets	238,746,945	351,986,234	464,077,827	14,570,733	745,804,028	23,416,139
Property, plant and equipment	1,262,530	3,191,522	4,718,651	148,152	4,894,860	153,685
Intangible assets	3,339,635	40,847,105	38,827,551	1,219,075	39,093,710	1,227,432
Other non-current assets[5]	21,835,862	16,465,425	19,936,161	625,939	22,946,600	720,458
Total assets	**265,184,972**	**412,490,286**	**527,560,190**	**16,563,899**	**812,739,198**	**25,517,714**
Current liabilities	177,888,805	240,334,886	369,977,067	11,616,235	671,711,613	21,089,847
Non-current liabilities	15,350,515	68,292,128	39,644,816	1,244,735	16,352,345	513,417
Total liabilities	193,239,320	308,627,014	409,621,883	12,860,970	688,063,958	21,603,264
Equity attributable to owners of parent	71,108,783	102,875,558	117,663,019	3,694,286	124,406,579	3,906,015
Non-controlling interest	836,869	987,714	275,288	8,643	268,661	8,435
Total equity	**71,945,652**	**103,863,272**	**117,938,307**	**3,702,929**	**124,675,240**	**3,914,450**

Selected Consolidated Cash Flow Data

	Year Ended December 31,				Six Months Ended June 30,		
	2023	2024	2025		2025	2026	
	NT$	NT$	NT$	US$	NT$	NT$	US$
				(in thousands)			
	(Audited)	(Audited)	(Audited)	(Unaudited)		(Unaudited)	
Net cash flows from operating activities	41,028,040	42,427,646	17,606,038	552,780	13,025,288	20,730,778	650,888
Net cash flows used in investing activities	(738,640)	(108,885,889)	(1,761,011)	(55,291)	(282,031)	(589,973)	(18,523)
Net cash flows from/(used in) financing activities	(22,956,625)	82,029,856	(26,817,666)	(841,999)	(19,910,037)	(12,070,695)	(378,986)
Effect of exchange rate changes on cash and cash equivalents	31,520	1,408,564	(616,332)	(19,351)	(5,647,011)	940,055	29,515
Net increase (decrease) in cash and cash equivalents	17,364,295	16,980,177	(11,588,971)	(363,861)	(12,813,791)	9,010,165	282,894
Cash and cash equivalents at the beginning of the period / year	5,383,254	22,747,549	39,727,726	1,247,338	39,727,726	28,138,755	883,477
Cash and cash equivalents at the end of the period / year	22,747,549	39,727,726	28,138,755	883,477	26,913,935	37,148,920	1,166,371

[5] Including financial assets at fair value through profit or loss—non-current, financial assets at fair value through other comprehensive income—non-current, investments accounted for using equity method, right-of-use assets, investment property—net, deferred income tax assets and other non-current assets.

BUSINESS

Overview

We are a world-leading electronic components distributor with cross-region end-to-end capabilities and a diversified geographic presence across Asia Pacific, the Americas and EMEA. According to Gartner®, we ranked first in the global semiconductor distribution market in terms of total revenue in 2025, achieving a market share of 15.1%[6].

Our mission is to deliver compelling services to help our partners succeed and hold ourselves accountable to our shareholders. We are committed to being the most trustworthy electronic components distributor, offering superior value-added services throughout the entire product lifecycle to our business partners.

As of the date of this Offering Circular, we partner with more than 400 suppliers across major technology segments to offer over 200,000 types of electronic components, serving over 20,000 customers in around 50 countries and regions with around 160 business sites in the world. We have historically excelled at customer engagement across Asia Pacific, characterized by our expertise in serving global or tier-1, large-scale, well-capitalized blue-chip OEMs, ODMs and EMSs customers, as well as mass market customers.

Our product portfolio includes digital computing integrated circuit, application-specific standard product, analog, memories and others and services. Our products have a wide scope of applications, including datacenters and servers, industrial and instruments, automotive electronics, communications, consumer electronics, mobile phones and PCs and peripherals. In the AI era, our core strengths align perfectly with the growing need for robust computing infrastructure, the burgeoning adoption of on-device AI capabilities, and the pervasive digital transformation resulting from Industry 4.0. Following the Future Acquisition, we have enhanced our standing in the automotive electronics and industrial and instruments sectors which are known for their extended product lifecycles, with revenue from "Star Application" segments contributing approximately 71.5% of our revenue in 2025. We offer a comprehensive portfolio of products and applications and leverage our economies of scale to provide suppliers and customers with extensive value-added services, thereby establishing our position as the go-to partner for both upstream and downstream players.

The global electronic components industry, comprised of semiconductor and IP&E, has become more complex and highly specialized. There is strong demand for electronic components fueled by the megatrends of technology advancements such as AI and digitalization, as well as resuming semiconductor upcycle. The global semiconductor market is expected to grow from US$809 billion in 2025 to US$2,153 billion in 2030 at a CAGR of 21.6%, according to Gartner®[7]. On the other hand, IP&E market, the basic yet essential part of the electronic components market, is expected to grow from US$206 billion in 2025 to US$268 billion in 2030 at a CAGR of 5.4%, according to Precedence Research. Together, our addressable market represents a massive trillion dollar market opportunity by 2029. In addition to having a positive long-term outlook, the electronic components supply chain has become more diversified and complex driven by a wide variety of applications across different industries, with a trend towards shortened product lifecycle and higher customization of products which make resources management and time efficiency the top priorities. To enable the electronic components supply chain to operate more efficiently, leading distributors such as us play an important role in providing comprehensive services along the whole value chain. We provide suppliers with extensive reach to a global customer base, strong demand creation services, superior market intelligence and intelligent supply chain solutions. And at the same time, we serve as a single access point to a wide range of product lines to our customers, equip them with product lifecycle management and reliable supply chain solutions, leading to shorter time-to-market. As such, the value that electronic components distributors such as us can provide is well recognized by suppliers and customers alike, making us an important strategic business partner. In line with the development of the global electronic

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[6] Gartner®, Market Share: Semiconductor Distributors, Worldwide, 2025, Masatsune Yamaji, 21 February 2026. Revenue basis. GARTNER is a trademark of Gartner, Inc. and its affiliates. Gartner does not endorse any company, vendor, product or service depicted in its publications, and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner publications consist of the opinions of Gartner's business and technology insights organization and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this publication, including any warranties of merchantability or fitness for a particular purpose. The Gartner content described herein (the "**Gartner Content**") represents research opinion or viewpoints published, as part of a syndicated subscription service, by Gartner, Inc. ("**Gartner**"), and is not a representation of fact. Gartner Content speaks as of its original publication date (and not as of the date of this Offering Circular), and the opinions expressed in the Gartner Content are subject to change without notice.

[7] Calculations performed by WT Microelectronics. Gartner®, Forecast: Semiconductors and Electronics, Worldwide, 2024-2030, 2Q26, Ben Lee et al., 26 June 2026. Revenue basis.

components market, the global semiconductor distribution market grew rapidly from US$154 billion in 2020 to US$240 billion in 2025 at a CAGR of 9.3%[8].

The Company's operating revenue increased by 61.4% from NT$594,518.8 million in 2023 to NT$959,431.9 million in 2024, and further increased by 22.8% to NT$1,177,948.9 million (US$36,984.3 million) in 2025. The Company's operating revenue increased by 114.0% from NT$506,927.8 million for the six months ended June 30, 2025 to NT$1,084,966.6 million (US$34,064.9 million) for the six months ended June 30, 2026.

Our Competitive Strengths

Leading global electronic components distributor

We are a world-leading electronic components distributor with cross-region end-to-end capabilities and a diversified geographic presence across Asia Pacific, the Americas and EMEA. This leadership is firmly established by a strong and committed global management team and further underpinned by our expansive global footprint, robust end-to-end capabilities, resilient operations and significant economies of scale. Founded in 1993 initially as a Taiwan-based semiconductor components distributor, our position was significantly strengthened by our acquisition of Future to become a truly global player. This strategic move distinguishes us from regional competitors, highlighting our superior operational capabilities and market influence worldwide.

According to Gartner®, we ranked first in the global semiconductor distribution market in terms of total revenue in 2025, achieving a market share of 15.1%[9]. As of the date of this Offering Circular, we partner with more than 400 suppliers across major technology segments to offer over 200,000 types of electronic components, serving over 20,000 customers in around 50 countries and regions with around 160 business sites in the world.

Our success stems from our visionary management team, which has an average of over 20 years of experience and provides a proven leadership structure. We combine deep sector knowledge with an entrepreneurial and energetic spirit, creating a passionate workforce with a long-term strategic mindset. This unique blend of experience and drive has enabled us to build a track record of sustained growth, consistently navigating industry cycles to maintain our competitive edge.

Having a global footprint strengthens our competitive edge by equipping us with end-to-end capabilities to offer seamless cross-region services, making us more resilient to address the shift in global supply chain on a timely basis, and enabling economies of scale, which enhances our operational and financial performance.

Our global footprint also empowers our customers' international strategies by fostering a dynamic and reciprocal regional expansion. We enable suppliers in the Americas and EMEA to address local demands while simultaneously ensuring the efficient fulfillment of orders in APAC, and vice versa. By becoming an essential conduit in the supply chain, we ensure mutual and sustainable growth and cultivate a truly integrated global ecosystem.

All of the above have benefitted us in being the go-to partner for both upstream and downstream players.

Long-standing and trusted partner for suppliers

We have developed deep and long-term partnerships with industry-leading electronic components suppliers across major technology segments. We partner with more than 400 suppliers across APAC, the Americas and EMEA. Our product portfolio includes digital computing integrated circuit, application-specific standard product, analog, memories and others and services. Our products cover a wide scope of applications, including datacenters and servers, industrial and instruments, automotive electronics, communications, consumer electronics, mobile phones and PCs and peripherals.

Our value-added services to suppliers are summarized as below:

- *Extensive reach to a broad and global customer base*: We provide suppliers with an extensive reach to a broad and global customer base. This entails leveraging our worldwide network and market presence to connect suppliers with a diverse and expansive pool of customers across various

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[8] Calculations performed by WT Microelectronics. Gartner®, Market Share: Semiconductor Distributors, Worldwide, 2025, Masatsune Yamaji, 21 February 2026. (Revenue for 2020) Gartner®, Market Share: Semiconductor Distributors, Worldwide, 2020, Masatsune Yamaji, 2 March 2021 (This research provides a historical snapshot in time).

[9] Gartner®, Market Share: Semiconductor Distributors, Worldwide, 2025, Masatsune Yamaji, 21 February 2026., Revenue Basis.

industries and regions, thereby enhancing suppliers' market penetration and business potential. Our expansive client base, enduring strategic alliances and established infrastructure enable us to be the essential conduit in providing access to suppliers.

- *Demand creation and market intelligence*: We work seamlessly with suppliers' sales and marketing team to perform as an extension of their sales and marketing function. We offer global marketing services to further expand the sale of suppliers' products, which include identifying new customers, facilitating customers' adoption of suggested products and promoting suppliers' new products to potential customers. This is crucial in engaging long-tail customers and further expand the customer coverage for suppliers. We are able to provide in-depth market insights on application trends and latest product development given our offering of an extensive range of electronic components and coverage of a large base of suppliers and customers globally. We believe such market intelligence is valuable to suppliers in understanding and meeting evolving customer demand, which in turn promotes the usage of suppliers' components in customers' current applications and future product roadmap.

- *Intelligent supply chain solutions*: We offer intelligent supply chain solutions that assist suppliers in navigating customer demand and managing inventory levels amidst dynamic market conditions. These solutions leverage advanced analytics, forecasting tools, and real-time data to provide suppliers with actionable insights, facilitating efficient inventory management and aligning production timelines with demand cycles.

- *Superior engineering competence*: We have a dedicated engineering team consisting of over 1,100 experienced field application engineers specializing in field application support, reference design and research and development, who promote suppliers' competitive components and solutions to customers to meet latest technology trends and customer demand, as well as offering on-site technical support services.

Our position as a trusted, long-standing partner to suppliers is firmly established through our comprehensive suite of value-added services ensuring the suppliers' market sustainability and continuous success.

Full customer coverage enabled by superior services

We have excelled at customer engagement globally, characterized by our expertise in serving global or tier-1, large-scale, well-capitalized blue-chip OEMs, ODMs and EMSs customers, as well as mass market customers. As of June 30, 2026, we had more than 20,000 customers covering around 50 countries and regions with around 160 business sites in the world. We have also established a comprehensive customer coverage across all segments with long-term loyalty and retention, spanning from global or tier-1 customers to mass market customers. In general, mass market customers have limited direct channel access to suppliers and thereby rely on the enhanced value-added services provided by distributors, resulting in higher levels of demand creation, which typically brings higher margins.

Our value-added services to customers are summarized as below:

- *Access to comprehensive product lines*: We provide customers with a single access point to comprehensive product lines through a wide coverage of suppliers, providing a "one-stop shop" product portfolio of semiconductor and IP&E components to meet diverse customer needs.

- *Technical support*: We provide customers with end-to-end technical support. Our dedicated engineering team consisting of around 1,100 experienced engineers provides reliable and responsive on-site support, including system level design services with insightful technology know-how, component level consulting services, board level debugging services, as well as prototype validation.

- *Product lifecycle management*: Our value-added services cover the entire product lifecycle. In addition to new design development from concept and component suggestion, we manage transition processes such as inventory planning and warranty management, as well as product re-engineering. With our facilitation based on market intelligence and industry insights from design to manufacturing and further to product iteration phases, our customers are able to shorten their design cycle, accelerate their time-to-market and enhance their products' competitiveness.

- *Intelligent supply chain solutions*: To assist our customers in meeting their end-user demand while maintaining a healthy level of inventory, we offer supply chain solutions covering intelligent supply chain planning and logistics management. Our competencies in information technology, inventory and order backlog management and multi-national warehousing and logistics, combined with our strong global presence and extensive partner relationships, allow us to offer optimized supply chain solutions on a local, regional and global basis. We provide customers with more visibility around the availability and lead time of suppliers' components, helping customers to navigate the complexities of supply and demand dynamics. We can also assist customers in selecting alternative components when needed. We provide warehouse facilities, inventory and warranty management services such as smart labeling and tailor-made bar codes, to offload customers' stock receiving, tracking and controlling, and optimal fulfillment and logistic planning based on products, locations and transportation prices.

We believe our comprehensive product offerings, superior technical capabilities, and extensive value-added services make us a preferred distributor for customers globally. We will continue to drive sustainable customer wins, sales and profitability through our know-how and global resources.

Well-positioned to capture the secular, long-term growth in attractive end markets

The electronic components supply chain is becoming more diversified and complex, driven by a wide variety of applications across different industries, with a trend towards shortened product lifecycle and customization of products. In the AI era, our core strengths align perfectly with the growing need for robust computing infrastructure, the burgeoning adoption of on-device AI capabilities, and pervasive digital transformation such as Industry 4.0. We believe we are well-positioned to capture the secular, long-term growth of attractive end markets through our ability to remain at the forefront of electronic components industry development, and be nimble in optimizing our product portfolio.

We have been strategically focusing on the "Star Application" segments featuring higher growth and/or higher margin products, including automotive electronics, industrial and instruments, datacenters and servers and communications sectors. We have achieved market share gains in these key growth sectors, which in aggregate accounted for approximately 53.0% of our revenue in 2023 and expanded to approximately 71.5% of our revenue in 2025, and further to approximately 82.7% of our revenue in the first six months of 2026. Driven by the AI upcycle, revenue from AI-related applications, particularly datacenters and servers as well as communications, increased from 35.4% in 2023 to 53.9% in 2025, and further to 70.6% in the first six months of 2026.

Our product offerings have a diversified and balanced scope of applications with decent growth. According to Gartner®, global semiconductor revenues in the datacenters and servers, industrial and instruments, mobile phones, consumer electronics, automotive electronics, communications, PCs and peripherals segments are expected to experience CAGRs of 33.6%, 17.7%, 12.7%, 12.0%, 11.5%, 11.4%, and 8.2%, respectively, from 2025 to 2030[10].

We believe our strategic focus on higher growth and/or higher margin product segments while maintaining the contribution from other segments has positioned us well to capture the secular, long-term growth of attractive end markets.

Successful track record and focus on sustainable development

Our management team aims to promote a corporate culture of corporate sustainability, social responsibility and diversity.

- Environmental Sustainability: The Company is committed to the goal of achieving net-zero greenhouse gas emissions by 2050 and targets a 4-6% reduction of greenhouse gas emissions per year.

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[10] Calculations performed by WT Microelectronics. Gartner®, Forecast: Semiconductors and Electronics, Worldwide, 2024-2030, 2Q26, Ben Lee et al., 26 June 2026. Datacenters and Servers = Severs + Accelerator Cards + Storage Media Total + Storage Systems (Incl FAS) Total + Other Storage Electronics + Enterprise LAN + Enterprise WAN. Industrial and Instruments = Industrial Electronics + Military/Civil Aerospace Electronics. Consumer Electronics = Consumer Electronics. Mobile Phones = Smart Phones + Traditional Phones. Automotive Electronics = Automotive Electronics. Communications = Communication Electronics total except Smartphones, Traditional Phones, Enterprise LAN and Enterprise WAN. PCs and Peripherals = Data Processing Electronics Total – (Severs + Accelerator Cards+ Storage Electronics except Other Storage Electronics.) Revenue basis.

- Social Responsibilities: We are selected as a constituent of the Taiwan High Compensation 100 Index. In 2025, the donations and activities expenses by the Company and WT Foundation reached approximately NT$18.38 million. The Company also promotes green design and targets low-carbon revenue to reach 62% of its total revenue in 2030, up from 57.1% in 2025.

- Corporate Governance: We were awarded the top 5% in governance ranking by TWSE in the past six consecutive years. Independent directors account for 40% of our total directors.

- Diversity: Women comprise around 30% of our board and approximately 47% of the Company's employees.

Our Business Strategies

Leverage global footprint to pursue high-quality and value-driven business

Over the course of more than 30 years since our establishment in 1993, we have evolved from a Taiwan-based, Asia Pacific-focused semiconductor distributor into a truly global distributor of electronic components. We are committed to being the most trustworthy electronic components distributor. To achieve this, we have been forging strong and sustainable partnerships with our suppliers and customers, with a firm belief that their success directly contributes to our own.

Our high-quality and value-driven services are core to our success. Going forward, we will continue to focus on broadening our customer base, adeptly enhancing our market intelligence, as well as continuously providing superior demand creation services and intelligent supply chain solutions. All these efforts, together with our end-to-end capabilities and cross-region services, will deepen our collaboration with our suppliers and help them better address and meet customer demand on a timely basis.

On the customer end, in addition to providing reliable supply chain solutions, we aim to gain access to more product lines, continue to offer full product lifecycle management to accelerate customers' time-to-market and enhance their products' competitiveness.

Identify and invest in key strategic industries and continue to improve business mix

We are committed to identifying and investing in key strategic industries, with a focused effort on improving our business mix to better address the evolving needs of the market, especially under the context of the AI era.

Our strategy includes increasing our emphasis on sectors that offer higher growth and/or higher margin potential, such as automotive electronics, industrial and instruments, datacenters and servers and communications segments. Riding on the AI wave, we will further leverage our industry knowledge and experience to stay at the forefront of the global technology development, to enable us to identify and penetrate new sectors with high potential.

In terms of product offerings, we aim to achieve a balanced mix by expanding our portfolio to include IP&E components, complementing our existing range of product categories as well as enhancing our profitability.

Develop new business opportunities with existing and new partners to grow market share

Our partners include upstream suppliers and downstream customers. Leveraging our strong relationships with our partners, we aim to enhance our leadership position and to continue growing our market share globally, especially in the Americas and EMEA.

Our strategy focuses on deepening relationships with current suppliers and customers while expanding our partnership network. For our suppliers, we aim to expand our distribution territories for certain suppliers and offer their products to a wider customer base. This will strengthen our relationship with the suppliers by becoming a more integral part of their global distribution strategy. For customers, we aim to capture a greater share of their wallet by providing more comprehensive product offerings—including IP&E components—and more seamless cross-region services. On the other hand, we plan to explore and collaborate with new suppliers and customers who have demonstrated high market potential in any of the fast-growing and/or high margin sectors that we have strategically identified and invested our resources in.

This dual approach of going deep and wide enables us to build a more robust, dynamic, and resilient business model, enhances our operational efficiency and positions us for sustainable growth in the fast-evolving electronic components distribution landscape.

Continue building our core values and talent pool for sustainable business growth

Our dedication to nurturing our core values and talent pool remains pivotal for achieving sustainable growth. Integrity, commitment, and teamwork with respect for the individual stand at the heart of our operations, guiding our interactions and decisions daily. Our unwavering support for our business partners, employees, shareholders, and the broader society reflects our commitment to ethical and responsible business practices.

We are led by a seasoned and visionary management team with in-depth experience and complementary backgrounds spanning from information technology, electronic components industry, application engineering to marketing. Our management team has an average experience of over 20 years in the electronic components industry. This collective leadership and well-established structure, combining the entrepreneurial and energetic spirits with extensive industry insights, are deeply committed to delivering value to all our partners.

We recognize that the foundation of our long-term success is deeply rooted in creating a nurturing work environment that prioritizes individual development and demonstrates genuine care for our employees. This approach not only fosters a positive and productive workplace but also ensures that we continue to attract, develop, and retain top talent who are essential for driving our future growth and maintaining our competitive edge in the industry.

Selectively explore strategic investments or acquisitions

Strategic investments and acquisitions have been part of our growth strategy to supplement organic growth. Our acquisition strategy is to selectively focus on targets that can meet multiple criteria such as having strong relationships with suppliers and/or customers, offering products and services that are complementary with our existing offerings, demonstrating solid technical capabilities, having complementary geographical presence, possessing a strong talent pool, and sharing our vision and common values.

Achieve healthy financial profile to maximize shareholder returns

We are committed to actively monitoring and managing our cash conversion cycle to ensure liquidity and operational efficiency. By allocating capital efficiently, we aim to improve our return on working capital. This involves a pragmatic evaluation of business opportunities, taking into account various factors such as complexity of business operations, the level of services required, and strategic priorities of our business. Our goal is to optimize our financial resources to support sustainable growth and enhance profitability.

In addition to ensuring effective working capital management, we aim to optimize our capital structure prudently in the current macro environment. We plan to maintain a reasonable level of leverage, balancing the need for growth and financial stability. This strategy is designed to safeguard our financial health and ensure the availability of capital to fund strategic initiatives while also improving returns for our shareholders.

By focusing on these areas, we aim to strengthen our financial foundation, support our long-term strategy and ensure that we can continue to deliver value to our shareholders.

Products and Services

We are a world-leading electronic components distributor with cross-region end-to-end capabilities and a diversified geographic presence across Asia Pacific, the Americas and EMEA. Founded in 1993 initially as a Taiwan-based semiconductor components distributor, our position was further strengthened by the completion of the Future Acquisition in April 2024, allowing us to become a truly global player.

We market and distribute a comprehensive product portfolio of semiconductor and IP&E components of our suppliers to meet diverse customer needs and offer our customers and suppliers end-to-end services throughout the entire product lifecycle. We work with over 400 suppliers across major technology segments to serve over 20,000 customers in around 50 countries and regions.

Our Products

Our product portfolio includes digital computing integrated circuit, application-specific standard product, analog, memories and others and services.

Our products have a wide scope of applications, including datacenters and servers, industrial and instruments, automotive electronics, communications, consumer electronics, mobile phones and PCs and peripherals.

We have achieved a more well-rounded industry reach following the Future Acquisition. The table below sets forth a breakdown of revenue from product sales by end market for the years ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026:

	Year Ended			Six Months Ended June 30,
	2023	**2024**	**2025**	**2026**
	%	*%*	*%*	*%*
	(unaudited, in percentages)			
Revenue breakdown from product sales by end market[(1)]:				
Datacenters and servers	21.8%	36.0%	41.2%	58.1%
Industrial and instruments	9.8%	11.5%	10.9%	7.8%
Automotive electronics	7.8%	8.3%	6.6%	4.4%
Communications	13.6%	12.1%	12.7%	12.5%
Consumer electronics and others	8.7%	6.7%	6.1%	5.6%
Mobile phones	28.4%	18.5%	15.6%	7.4%
PCs and peripherals	9.9%	7.0%	6.8%	4.2%
Total	100.0%	100.0%	100.0%	100.0%

Note:

(1) Figures presented are approximate and unaudited.

Our Value-added Services

We provide a comprehensive range of value-added services throughout the entire product lifecycle.

Services to Suppliers:

- *Extensive reach to a broad and global customer base*: We provide suppliers with an extensive reach to a broad and global customer base. This entails leveraging our worldwide network and market presence to connect suppliers with a diverse and expansive pool of customers across various industries and regions, thereby enhancing suppliers' market penetration and business potential. Our expansive client base, enduring strategic alliances and established infrastructure enable us to be the essential conduit in providing access to suppliers for large volume fulfillment demands.

- *Demand creation and market intelligence*: We work seamlessly with suppliers' sales and marketing team to perform as an extension of their sales and marketing function. We offer global marketing services to further expand the sale of suppliers' products, which include identifying new customers, facilitating customers' adoption of suggested products and promoting suppliers' new products to potential customers. This is crucial in engaging long-tail customers and further expand the customer coverage for suppliers. We are able to provide in-depth market insights on application trends and latest product development given our offering of an extensive range of electronic components and coverage of a large base of suppliers and customers globally. We believe such market intelligence is valuable to suppliers in understanding and meeting evolving customer demand, which in turn promotes the usage of suppliers' components in customers' current applications and future product roadmap.

- *Intelligent supply chain solutions*: We offer intelligent supply chain solutions that assist suppliers in navigating customer demand and managing inventory levels amidst dynamic market conditions. These solutions leverage advanced analytics, forecasting tools, and real-time data to provide

suppliers with actionable insights, facilitating efficient inventory management and aligning production timelines with demand cycles.

- *Superior engineering competence*: We have a dedicated engineering team consisting of around 1,100 experienced engineers specializing in field application support, reference design and research and development, who promote suppliers' competitive components and solutions to customers to meet latest technology trends and customer demand, as well as offering on-site technical support services.

Services to Customers:

- *Access to comprehensive product lines*: We provide customers with a single access point to comprehensive product lines through a wide coverage of suppliers, providing a "one-stop shop" product portfolio of semiconductor and IP&E components to meet diverse customer needs.

- *Technical support*: We provide customers with end-to-end technical support. Our dedicated engineering team consisting of around 1,100 experienced engineers provides reliable and responsive on-site support, including system level design services with insightful technology know-how, component level consulting services, board level debugging services, as well as prototype validation.

- *Product lifecycle management*: Our value-added services cover the entire product lifecycle. Apart from new design development from concept and component suggestion, we manage transition processes such as inventory planning and warranty management, as well as product re-engineering. With our facilitation based on market intelligence and industry insights from design to manufacturing and further to product iteration phases, our customers are able to shorten their design cycle, accelerate their time-to-market and enhance their products' competitiveness.

- *Intelligent supply chain solutions*: To assist our customers in meeting their end-user demand while maintaining a healthy level of inventory, we offer supply chain solutions covering intelligent supply chain planning and logistics management. Our competencies in information technology, inventory and order backlog management and multi-national warehousing and logistics, combined with our strong global presence and extensive partner relationships, allow us to offer optimized supply chain solutions on a local, regional and global basis. We provide customers with more visibility around the availability and lead time of suppliers' components, helping customers to navigate the complexities of supply and demand dynamics. We can also assist customers in selecting alternative components when needed. We provide warehouse facilities, inventory and warranty management services such as smart labeling and tailor-made bar codes, to offload customers' stock receiving, tracking and controlling, and optimal fulfillment and logistic planning based on products, locations and transportation prices.

Suppliers

As an electronic components distributor, we work with upstream suppliers across major technology segments. As of the date of this Offering Circular, we partner with more than 400 suppliers across major technology segments to offer over 200,000 types of electronic components.

We believe we do not rely on any single supplier. In 2025, purchases from our largest supplier represented 58.8% of our total purchases. No sales of any other single supplier's products accounted for more than 10% of our total purchases in 2025. Most of our purchases are pursuant to distributor agreements, which are typically non-exclusive and terminable by either party with notice. These agreements are generally terminable upon 30 to 180 days' notice and, in certain cases, provide for or require inventory return privileges upon termination.

The pricing of our products is subject to negotiation with our customers and discussion with our suppliers through a quotation process, often utilizing our market intelligence. We mainly employ what is known as the "ship and debit" model, whereby we purchase a given product from a supplier at a pre-determined price, and we sell the product to our customers at the pre-agreed price. We then apply for a rebate from the suppliers so that our gross profit would fairly reflect the level and type of services we provide to the suppliers and customers. The purchase volume is not pre-determined by the distributor agreements but based on the rolling forecasts and/or orders of our customers.

Under the ship and debit model, we are protected against the potential write-down of inventories due to technological change or price reductions of the products. Certain contractual provisions further provide protections to us for product obsolescence in the form of return privileges or scrap allowances. That being said, we have the right to return to the supplier, for credit, a defined portion of those inventory items purchased, provided such inventory items are in saleable condition. However, such policies may not fully compensate for the loss. For more details, see "Risk Factors—Risks Relating to Our Industry and Business—Inventory loss or inventory value decline may adversely affect our results of operations and financial condition."

Our Customers

We have historically excelled at customer engagement across Asia Pacific, characterized by our expertise in serving global or tier-1, large-scale, well-capitalized blue-chip OEMs, ODMs and EMSs customers, as well as mass market customers. The Future Acquisition has expanded our customer base, further enhancing coverage of mass market customers globally. As of June 30, 2026, we had more than 20,000 customers covering around 50 countries and regions with around 160 business sites in the world. We have established a comprehensive customer coverage across all segments, spanning from global or tier-1 customers to mass market customers. The latter group particularly relies on the enhanced value-added services provided by distributors due to limited direct channel access, resulting in higher levels of demand creation, which typically brings higher margins.

The table below sets forth the breakdown of revenue by geographic locations of external customers' registered office for the years ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026:

	Year ended December 31,						Six Months Ended June 30,	
	2023		2024		2025		2026	
	NT$	*%*	*NT$*	*%*	*NT$*	*%*	*NT$*	*%*
	(unaudited, in millions, except percentages)							
Revenue by region:								
United States	109,440	18.4	332,847	34.7	428,027	36.3	579,511	53.4
Taiwan	262,587	44.2	281,511	29.3	302,733	25.7	182,933	16.9
China	151,257	25.4	219,129	22.9	280,044	23.8	207,693	19.1
Others	71,235	12.0	125,945	13.1	167,145	14.2	114,831	10.6
Total	**594,519**	**100.0**	**959,432**	**100.0**	**1,177,949**	**100.0**	**1,084,967**	**100.0**

We believe we do not rely on any single customer. Our top two customers accounted for 26.5% and 13.1% of our total revenue in 2025. Our top two customers accounted for 44.6% and 6.6% of our total revenue for the six months ended June 30, 2026. No other single customer accounted for more than 10% of our total revenue in 2025 and for the six months ended June 30, 2026.

Sales to our customers are generally governed by purchase orders, rather than through long-term sales contracts. Our sales and marketing team updates each customer's demand forecast on a weekly basis to manage or adjust purchase order backlogs and inventory.

Sales and Marketing

We primarily market and sell our products through our direct sales force located close to customers. Our sales representatives generally serve customers in a specific segment within certain geographic areas. This approach allows us to be accessible to our customers across various regions, enhancing our ability to meet customer demands with speed and efficiency. Our sales personnel work closely with our marketing team and application engineers to coordinate on the introduction of new electronic components as well as providing comprehensive support to customers throughout their product lifecycle from initial product development activities, product launches to ongoing demand and supply planning. Our sales and marketing teams provide an extensive portfolio of products and services to help customers develop innovative products, reduce their time to market, support customers' material management and production needs, and therefore enhance their overall competitiveness. As of the date of this Offering Circular, our sales and marketing teams consisted of over 4,000 members, comprised of our sales and customer service representatives, product managers and vendor service representatives.

Technical Capabilities

As an electronic components distributor, we focus on enhancing our technical capabilities to enable customers to shorten and streamline the research and development design process while enhancing their products' market competitiveness.

Our engineering team is responsible for new business opportunity engagement through promoting competitive components and solutions to meet latest technology trends and customer demand. Moreover, we offer on-site technical support services, including circuit and PCB layout review, function testing, board level debugging and system verification where customers adopt our solutions. Each created opportunity/project is managed and traced in our design-in tracking system.

Our technical capabilities are strengthened by leveraging Future's engineering centers. With engineers who are system design experts, possessing in-depth knowledge on a variety of design approaches and insight into new product roadmaps, reference designs, tools and design methodologies, Future's engineering centers provide in-depth engineering design services and comprehensive solutions, from new product introductions (NPI) to evaluation and development kits, reference designs, demo boards, proof of concepts and other various design consulting services.

We believe maintaining sufficient intellectual property and other proprietary know-how, such as patents, covering our products and major manufacturing processes is critical to our business operations. In addition to the patented technologies, we also utilize know-how available in the public domain and unpatented know-how developed in-house. As of the date of this Offering Circular, we are not involved in any material disputes or claims in connection with our intellectual property.

As of the date of this Offering Circular, we had a dedicated engineering team consisting of around 1,100 experienced engineers.

Competition

There is significant competition within each market sector and geography we serve that creates the need to continuously improve services. We compete with other large multinational and national electronic components distributors and numerous other smaller, specialized competitors who generally focus on niche markets, products, or particular sectors. The size of our competitors and resources available to them vary across market sectors. Therefore, some of our competitors may have a more extensive customer and/or supplier base than we do in one or more of our market sectors. Other competitive factors include technical expertise, product availability, credit availability, speed of delivery, ability to tailor solutions to meet customer needs, quality and depth of product lines, as well as service and support provided by the distributors to the customers.

We believe we are well equipped to compete effectively with our competitors due to our geographical coverage, comprehensive product and service offerings, superior technical capabilities, extensive distribution networks, and intelligent supply chain management.

Employees

As of December 31, 2023, 2024 and 2025 and July 31, 2026, the number of our full-time employees was 3,463, 7,970, 7,597 and 7,601, respectively. The table below sets forth our employees by function as of July 31, 2026:

Function	Number of Employees
Sales/Customer Service Representatives	3,108
Engineers	1,171
Product Managers/Vendor Service Representatives	1,336
Shipping/Warehouse	915
Others	1,071
Total	7,601

Our success is dependent in large part on our ability to attract, retain, train and motivate skilled and qualified personnel. We have devoted significant attention and resources to recruit and train our employees in order to enhance their professional capabilities and to instill the qualities that are essential to enable us to realize our long-term goals. We select our personnel through a rigorous process. We recruit graduates from colleges and

universities. We also recruit employees through various other channels, including postings on job recruitment websites and human resource agents.

We believe that our compensation packages are competitive with those of our competitors. We evaluate the performance of our employees annually, which forms the basis for determining the salary levels, bonuses and promotion opportunities. We may also distribute annual bonuses in the form of cash and share-based reward programs to our directors, senior management and other full-time employees. See "Dividends and Dividend Policy."

We are required to make contributions to employee pension plans in the various jurisdictions in which we operate. For example, for our employees based in Taiwan, we participate in a defined benefit pension plan in accordance with the ROC Labor Standards Act, covering the employees who provided services to us prior to July 1, 2005 but chose to remain in the benefit pension plan after the ROC Labor Pension Act became effective on July 1, 2005. For employees who chose to remain in the original benefit pension plan in accordance with the ROC Labor Standards Act, we contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan as trustee under the name of an independent retirement fund committee. In accordance with the ROC Labor Pension Act, we also have a defined contribution employee retirement plan covering all ROC employees who work for us since July 1, 2005 or who work for us prior to July 1, 2005 and did not choose to remain in the original benefit pension plan. We contribute no less than 6% of an employee's monthly salary and wages to the personal pension account of such employee each month with the ROC Bureau of Labor Insurance. Employees may choose to receive pension on a monthly basis or to receive a lump-sum payment upon retirement in the amount of the balance in the personal pension account plus accumulated investment gains.

Our PRC subsidiaries are required under the PRC law to make contributions to our employee benefit plans including pension, work-related injury benefits, maternity insurance and medical and unemployment insurance. Our contributions are made based on specified percentages of the salaries, bonuses and certain allowances of our employees.

We have not experienced any material labor dispute and we believe we have maintained a sound relationship with our employees.

Insurance

We believe our insurance policies are in line with customary industry practice in our industry. However, any uninsured occurrence of business disruption, litigation or natural disaster, or significant damages to our uninsured equipment or facilities could have a material adverse effect on our results of operations, and we cannot assure you that our insurance coverage will be sufficient to cover our losses. See "Risk Factors—Risks Relating to Our Industry and Business—Our insurance coverage may not adequately protect us against certain operating and other hazards which may have an adverse effect on our business" in this Offering Circular.

Environmental, Social and Governance

We are principally engaged in the electronic components distribution industry, and our main business includes trading and application engineering services for electronic components. Due to the non-manufacturing nature of the industry, there are no environmental pollution issues. We believe that our operations are in compliance in all material respects with applicable environmental laws and regulations.

Our management team aims to promote a corporate culture of corporate sustainability, social responsibilities and diversity.

- Environmental Sustainability: The Company is committed to the goal of achieving net-zero greenhouse gas emissions by 2050 and targets a 4-6% reduction of greenhouse gas emissions per year.

- Social Responsibilities: We are selected as a constituent of the Taiwan High Compensation 100 Index. In 2025, the donations and activities expenses by the Company and WT Foundation reached approximately NT$18.38 million. The Company also promotes green design and targets low-carbon revenue to reach 62% of its total revenue in 2030, up from 57.1% in 2025.

- Corporate Governance: We were awarded the top 5% in governance ranking by TWSE in the past six consecutive years. Independent directors account for approximately 40% of our total directors.

- Diversity: Women comprise around 30% of our board and approximately 47% of the Company's employees.

Legal Proceedings

We may from time to time be subject to various complaints, allegations, or lawsuits claiming in the ordinary course of business. Such complaints, allegations, or lawsuit claiming, whether or not they have merit, may result in our expenditure of significant financial and management resources, injunctions against us or payment of damages. The outcome of any claims, investigations, and proceedings is inherently uncertain, and in any event defending against these claims could be both costly and time-consuming.

As of the date of this Offering Circular, we were not involved in any legal, arbitral or administrative proceedings which could have a material adverse effect on our operations or financial condition, and we were not aware of any material pending or threatened legal, arbitral, or administrative proceedings against us or any of our directors which could have a material adverse effect on our operations or financial condition.

Investments and Principal Subsidiaries

We maintain shareholdings in our subsidiaries and affiliates for long-term strategic and financial investment purposes. To the extent that we make any long-term investments during a given year, the majority of such investments would be made on a strategic basis in companies whose businesses relate in some way to our business operations.

In September 2022, we acquired 100% equity in Excelpoint by cash at over SGD232.2 million through one of our wholly-owned subsidiaries ("**Acquiring Entity**") by way of a scheme of arrangement ("**Scheme**"). Pursuant to the Scheme, the founder and chief executive officer of Excelpoint has reinvested part of the cash consideration due to him under the Scheme in 20% equity of the Acquiring Entity, with the balance 80% stake owned by our Company. Excelpoint was listed in the Singapore stock exchange in 2004. In February 2025, we acquired the remaining 20% equity interest in the Acquiring Entity.

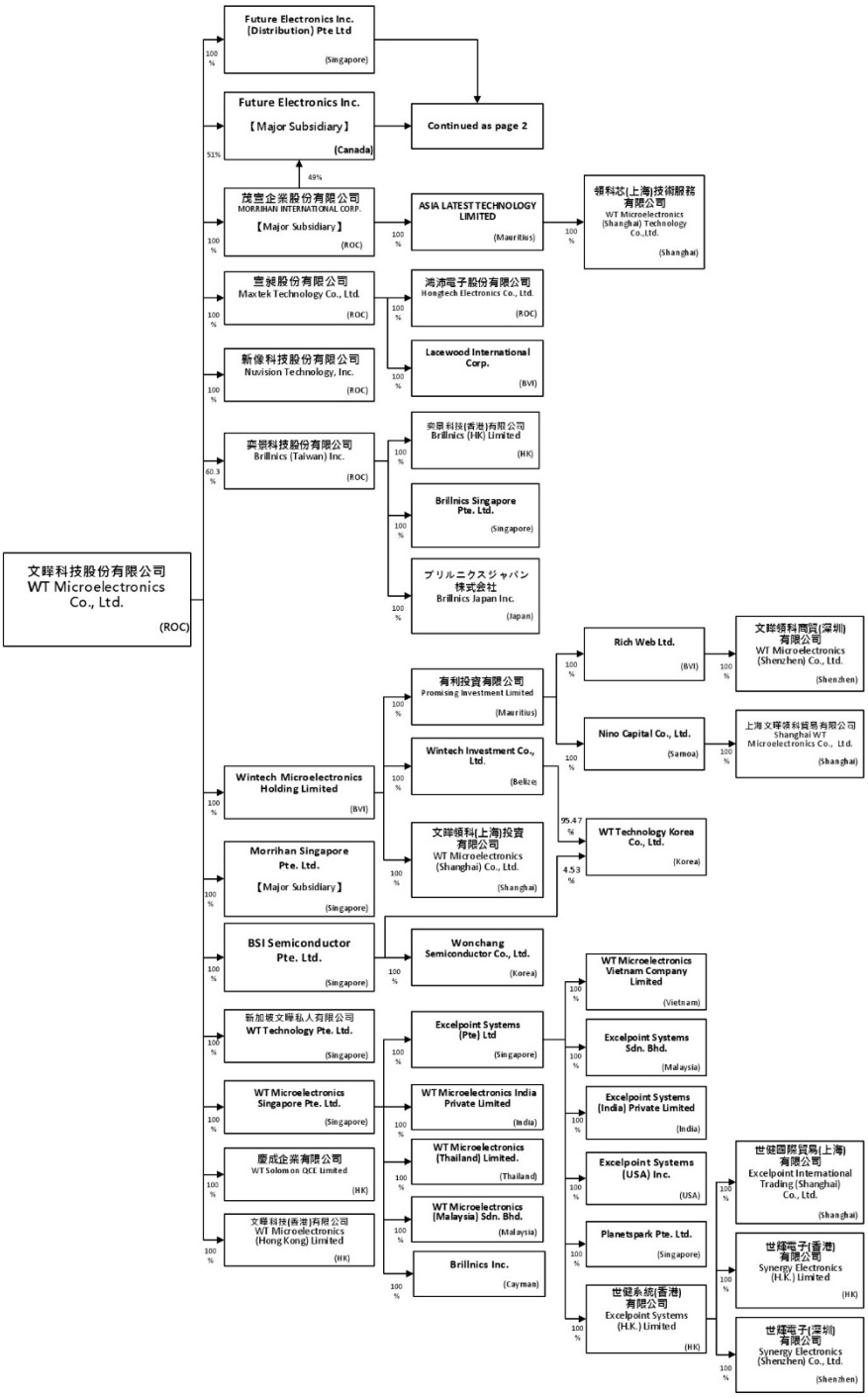
In April 2024, we completed the Future Acquisition. Founded in 1968, Future is a premier electronic components distributor headquartered in Montreal, Canada with global operations and a strong focus on mass market customers. Pursuant to the share purchase agreement (the "**Share Purchase Agreement**") with Future and Alonim Investments Inc. ("**Alonim**"), the sole shareholder of Future, wholly owned by the founder of Future, we acquired 100% of the share capital in Future from Alonim for a final cash consideration of approximately US$3.8 billion, after accounting for post-closing adjustments. Following the closing of the acquisition, Future became our wholly-owned subsidiary while largely operating its business as it had prior to the acquisition. Led by a talented management team, Future has built and grown its businesses based on its strong fundamentals over the years, including its long-term trusted relationships with many renowned suppliers and an amassed customer base across the Americas, Asia Pacific and EMEA.

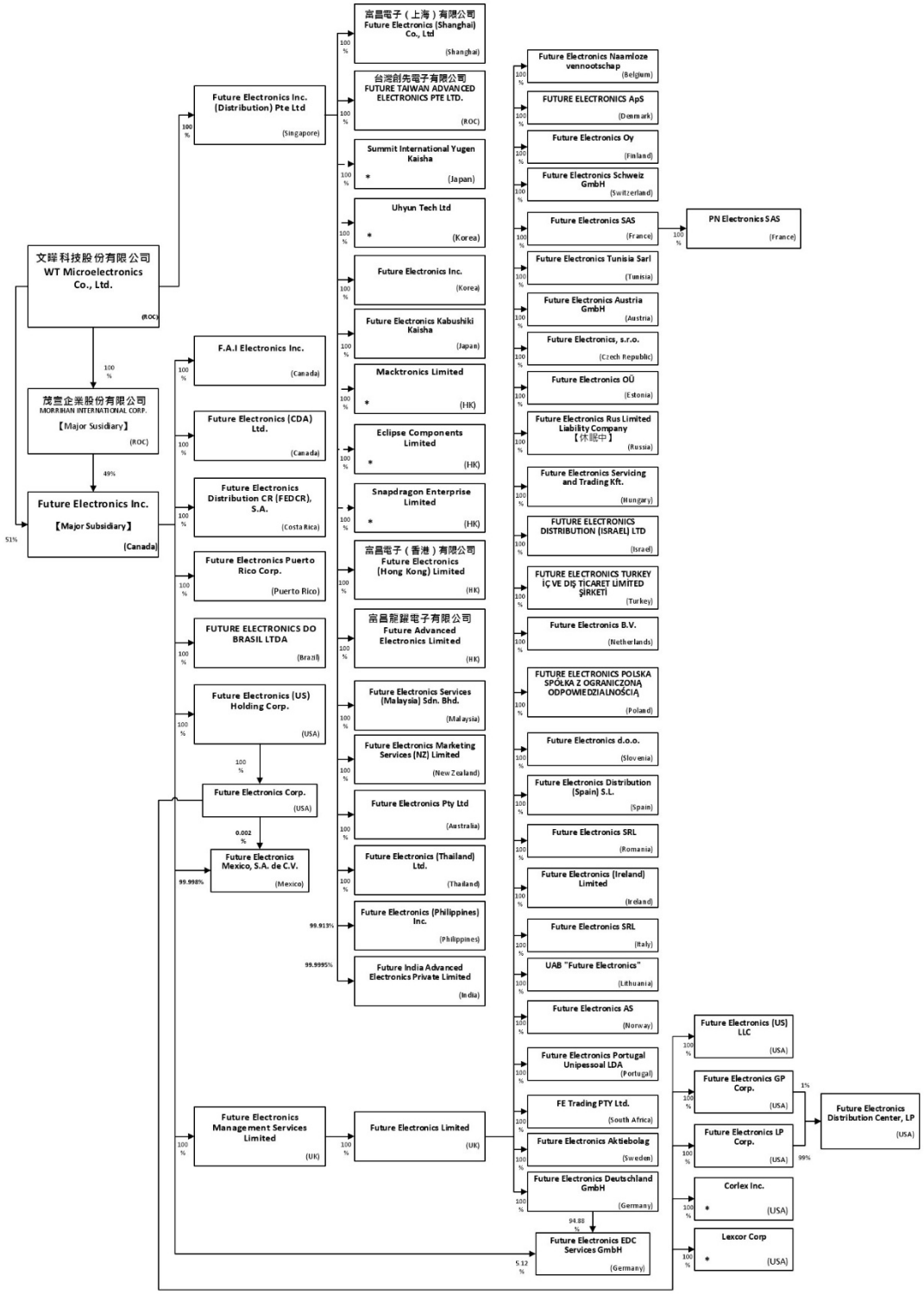
In October 2025, we completed a share swap with Nichidenbo. Under the share swap, each party subscribed for newly issued shares from the other party through a capital increase. Upon completion of the share swap, our shareholding in Nichidenbo increased from approximately 14.3% to approximately 35.5%, while Nichidenbo's shareholding in us increased to approximately 4.5%.

Except for the above-mentioned acquisition of Excelpoint and the Future Acquisition and share swap with Nichidenbo, for the years ended December 31, 2023, 2024 and 2025, we did not undertake, and since December 31, 2025, we have not undertaken, any material investments in joint ventures or other equity investments. As of the date of this Offering Circular, we had not identified any definite acquisition or equity investment target.

We do not have any joint ventures or undertakings in which we hold an interest that are likely to have a significant effect on our assets, liabilities, financial position or profits or losses.

Set forth below is an organizational chart depicting our principal subsidiaries as of June 30, 2026:




文祥科技股份有限公司
WT Microelectronics Co., Ltd.
(ROC)
茂宣企業股份有限公司
MORRIHAN INTERNATIONAL CORP.
【Major Susidiary】
(ROC)
Future Electronics Inc.
【Major Subsidiary】
(Canada)
51%
49%
100 %
Future Electronics Inc. (Distribution) Pte Ltd
(Singapore)
F.A.I Electronics Inc.
(Canada)
Future Electronics (CDA) Ltd.
(Canada)
Future Electronics Distribution CR (FEDCR), S.A.
(Costa Rica)
Future Electronics Puerto Rico Corp.
(Puerto Rico)
FUTURE ELECTRONICS DO BRASIL LTDA
(Brazil)
Future Electronics (US) Holding Corp.
(USA)
Future Electronics Corp.
(USA)
0.002 %
Future Electronics Mexico, S.A. de C.V.
(Mexico)
99.998%
Future Electronics Management Services Limited
(UK)
富昌電子（上海）有限公司
Future Electronics (Shanghai) Co., Ltd
(Shanghai)
台灣創先電子有限公司
FUTURE TAIWAN ADVANCED ELECTRONICS PTE LTD.
(ROC)
Summit International Yugen Kaisha
*
(Japan)
Uhyun Tech Ltd
*
(Korea)
Future Electronics Inc.
(Korea)
Future Electronics Kabushiki Kaisha
(Japan)
Macktronics Limited
*
(HK)
Eclipse Components Limited
*
(HK)
Snapdragon Enterprise Limited
*
(HK)
富昌電子（香港）有限公司
Future Electronics (Hong Kong) Limited
(HK)
富昌殷躍電子有限公司
Future Advanced Electronics Limited
(HK)
Future Electronics Services (Malaysia) Sdn. Bhd.
(Malaysia)
Future Electronics Marketing Services (NZ) Limited
(New Zealand)
Future Electronics Pty Ltd
(Australia)
Future Electronics (Thailand) Ltd.
(Thailand)
Future Electronics (Philippines) Inc.
(Philippines)
99.913%
Future India Advanced Electronics Private Limited
(India)
99.9995%
Future Electronics Limited
(UK)
Future Electronics Naamloze vennootschap
(Belgium)
FUTURE ELECTRONICS ApS
(Denmark)
Future Electronics Oy
(Finland)
Future Electronics Schweiz GmbH
(Switzerland)
Future Electronics SAS
(France)
PN Electronics SAS
(France)
Future Electronics Tunisia Sarl
(Tunisia)
Future Electronics Austria GmbH
(Austria)
Future Electronics, s.r.o.
(Czech Republic)
Future Electronics OÜ
(Estonia)
Future Electronics Rus Limited Liability Company
【休眠中】
(Russia)
Future Electronics Servicing and Trading Kft.
(Hungary)
FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD
(Israel)
FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LIMITED ŞİRKETİ
(Turkey)
Future Electronics B.V.
(Netherlands)
FUTURE ELECTRONICS POLSKA SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ
(Poland)
Future Electronics d.o.o.
(Slovenia)
Future Electronics Distribution (Spain) S.L.
(Spain)
Future Electronics SRL
(Romania)
Future Electronics (Ireland) Limited
(Ireland)
Future Electronics SRL
(Italy)
UAB "Future Electronics"
(Lithuania)
Future Electronics AS
(Norway)
Future Electronics Portugal Unipessoal LDA
(Portugal)
FE Trading PTY Ltd.
(South Africa)
Future Electronics Aktiebolag
(Sweden)
Future Electronics Deutschland GmbH
(Germany)
94.88 %
Future Electronics EDC Services GmbH
(Germany)
5.12 %
Future Electronics (US) LLC
(USA)
Future Electronics GP Corp.
(USA)
1%
Future Electronics LP Corp.
(USA)
99%
Future Electronics Distribution Center, LP
(USA)
Corlex Inc.
*
(USA)
Lexcor Corp
*
(USA)

MANAGEMENT

Each of our directors and executive officers listed below can be reached at our registered and principal executive office located at 14F., No. 738, Zhongzheng Rd., Zhonghe Dist., New Taipei City, Taiwan, R.O.C. The following table shows information regarding all of our directors and executive officers as of the date of this Offering Circular:

Name	Age	Position
Wen-Tsung Cheng	62	Chairperson, President
Wen You Investment Co., Ltd. Representative: Wen-Hung Hsu	60	Director, Senior Vice President
ASMedia Technology Inc. Representative: Che-Wei Lin	63	Director
Hsin-Ming Sung Kao	75	Director
Omar Baigmirza	50	Director
Jen-Hu Huang	75	Director
Tien-Chong Cheng	74	Independent Director
Ju-Chin Kung	59	Independent Director
Kung-Wha Ding	72	Independent Director
Chia-Chi Chang	55	Independent Director
Shing-Kang Wen	59	Senior Vice President
Wen-Tsung Chang	58	Senior Vice President
Chia-Chang Chang	61	Senior Vice President
Steve Lin	44	Vice President, Chief Financial Officer and Spokesperson
Yu-Fen Sun	44	Vice President and Accounting Officer
Yung-Hung Lu	53	Vice President and Finance Supervisor

Wen-Tsung Cheng joined us in 1993. He is the founder of the Company and has served as our chairperson and president since the same year. Currently, Mr. Cheng also serves as the Chairperson of Nuvision Technology, Inc., Morrihan International Corp., Maxtek Technology Co., Ltd., Shaoyang Investment Co., Ltd., Future Electronics Inc., and Brillnics Inc.; the representative of Juristic-Person Director of Brillnics (Taiwan) Inc. and Nichidenbo Corporation; Director of Excelpoint Systems (Pte) Ltd., BSI Semiconductor Pte. Ltd., Morrihan Singapore Pte. Ltd. and Promising Investment Limited; and the representative director of Wonchang Semiconductor Co., Ltd. Mr. Cheng is the spouse of Ms. Wen-Hung Hsu, our director and senior vice president. Mr. Cheng received his bachelor's degree from the Department of Industrial Engineering of Tunghai University.

Wen-Hung Hsu joined us in 1993. She is co-founder of the Company and has served as our director and senior vice president since 2005. Currently, Ms. Hsu also serves as the representative of Juristic-Person director of Brillnics (Taiwan) Inc. and PharmaEngine, Inc., Director of Excelpoint Systems (Pte) Ltd, Wonchang Semiconductor Co., Ltd., BSI Semiconductor Pte. Ltd., and Brillnics Inc. Ms. Hsu is the spouse of Mr. Wen-Tsung Cheng, our chairperson and president. Ms. Hsu received her bachelor's degree in Land Economics from the National Chengchi University.

Che-Wei Lin joined us in 2022. He has served as our director since the same year. Currently, Mr. Lin also serves as the chairperson of Techpoint, Inc., the representative of Juristic-Person Director and President of ASMedia Technology Inc., and Director of iCatch Technology, Inc., AionChip Technologies Co., Ltd., Applied Optoelectronics, Inc., and Xinpal Pte. Ltd. Mr. Lin previously served as the vice president of VIA Technologies, Inc. and the Global Vice President, Motherboard Business Unit & Open Platform Business Group of ASUSTeK Computer Inc. Mr. Lin received his master of science degree in Electrical Engineering from the University of Missouri, Columbia.

Hsin-Ming Sung Kao joined us in 2009 and has served as our director since the same year. Currently, Ms. Sung Kao also serves as the Chairperson and CEO of Marketech International Corp., the Chairperson of JI-XUAN Investment Corp., the Chairperson of Marketop Smart Solutions Co., Ltd., and Smart Group Solutions Corp., Director of ProbeLeader Co., Ltd. and Taiwan Speciality Chemicals Corporation. Ms. Sung Kao previously served as section head of electronics research at the Institute for Industrial Research. She received her EMBA degree in International Business from National Taiwan University and her bachelor's degree in Cooperative Economics from National Chung Hsing University.

Omar Baigmirza has served as our director since joining us in 2024. Currently, Mr. Baigmirza also serves as Director, President and CEO of Future Electronics Inc. and F.A.I. Electronics Inc., Director and President of Future Electronics (CDA) Ltd., President of Future Electronics Corp., Future Electronics (US) Holding Corp., Future Electronics (US) LLC, Future Electronics LP Corp. and Future Electronics GP Corp. and CEO of Future Electronics Puerto Rico Corp. Previously, he served as Chief Operating Officer and Executive Vice President Worldwide, Sales and Marketing of Future Electronics Inc. Mr. Baigmirza studied Commerce, majoring in Finance and Marketing, at Concordia University.

Jen-Hu Huang has served as our director since May 14, 2026. Currently, Mr. Huang also serves as Director of JSW Pacific Corporation. Mr. Huang is the founder of Nichidenbo Corporation and previously served as Chairperson, CEO and General Manager of Nichidenbo Corporation, Business Assistant Vice President of Taiwan Chemi-Con Corporation, Supervisor Representative of ITEQ Corporation, and member of the Remuneration Committee of Tai-Saw Technology. Mr. Huang received his bachelor's degrees in Management and Law from Kindai University and in Journalism from National Chengchi University.

Tien-Chong Cheng joined us in 2016 and has served as our independent director since the same year. Currently, Mr. Cheng also serves as Honorary Chairperson, Director and Chief Strategy Advisor of Aurotek Corporation, Independent Director of Howteh Technology Co., Ltd., and the Representative Director of 3e Yamaichi Electronics Co., Ltd. Previously, Mr. Cheng served as CEO of FIH Mobile Limited, a subsidiary of Foxconn Technology Group, Vice President of Foxconn Technology Group, President of Texas Instruments Asia Pacific, and President of HP China. Mr. Cheng received his MBA degree from Santa Clara University in the United States and his bachelor's degree in Electronics Engineering from National Chiao Tung University.

Ju-Chin Kung joined us in 2016 and has served as our independent director since the same year. Currently, Ms. Kung also serves as the Chief Consultant of TNL Media Group, the CFO and Spokesperson of TTY Biopharm Company Limited, the Chairperson of Media Business Association of Taipei and Executive Director of AI Ubestream Inc. and Independent Director of Panram International Corp., CoAsia Electronics Corp., and ACTi Corporation. Previously, Ms. Kung served as an assistant manager in PricewaterhouseCoopers, president and CFO of Cite Media Holding Group, CEO and a director of Cite Cultural & Arts Foundation. Ms. Kung is a certified public accountant qualified in Taiwan, the United States and the PRC. Ms. Kung received her MBA degree from the University of California in the United States, her Master of Laws degree from the National Chengchi University and her bachelor's degree in Finance and Taxation from National Chengchi University.

Kung-Wha Ding joined us in 2020 and has served as our independent director since the same year. Currently, Mr. Ding also serves as Independent Director of Energenesis Biomedical Co., Ltd., Steminent Biotherapeutics Inc., and Ye Siang Enterprise Co., Ltd., Director of Hotung Investment Holdings Ltd. Previously, Mr. Ding served as Deputy Commissioner of the Securities and Futures Commission of the Ministry of Finance, the Chairperson of the Securities and Futures Institute, and the Chairperson of Taiwan Depository & Clearing Corporation. Mr. Ding received his master's degree in Public Finance from the National Chengchi University and his bachelor's degree in Finance from National Chung Hsing University.

Chia-Chi Chang joined us in 2023 and has served as our independent director since the same year. Currently, Mr. Chang also serves as Senior Vice President and CFO of Taiwan Mobile Co., Ltd., Director of Yeong Jia Leh Cable TV Co., Ltd., Globalview Cable TV Co., Ltd., Phoenix Cable TV Co., Ltd., Union Cable TV Co., Ltd., and Nada Holdings Corp. Previously, Mr. Chang served as CFO of Egis Technology Inc., Director of FocalTech Systems Co., Ltd., Executive Vice President of Yuanta Securities Investment Consulting Co. and Director of Citigroup Global Markets Taiwan Securities Co., Ltd. Mr. Chang received his MBA degree from University of Southern California.

Shing-Kang Wen joined us in 1996. He has served as our senior vice president since 2016. Mr. Wen is our Chief Marketing Officer. Prior to joining us, he served as Sales Manager of Xingqiang Electronics Co., Ltd. Mr. Wen received his bachelor's degree in Electronic Engineering from Tungnan University.

Wen-Tsung Chang joined us in 1997. He has served as our senior vice president since 2018. Mr. Chang is our President of Asia Pacific. Prior to joining us, he served as Purchasing Manager of DFI Inc. Mr. Chang received his bachelor's degree in Electronic Engineering from China University of Science and Technology.

Chia-Chang Chang joined us in 2009 and has served as our senior vice president since 2023. Mr. Chang is our President of China. Prior to joining us, he served as Vice President of Value Provider International Corp. Mr. Chang received his master's degree in Business Administration from Tulane University.

Steve Lin has served as our vice president and spokesperson since joining us in 2024. Mr. Lin is our Chief Financial Officer. Prior to joining us, he served as CFO and Joint Company Secretary at Ximalaya Inc. Mr. Lin received his master's degree in Electrical Engineering from University of California, Santa Barbara.

Yu-Fen Sun has served as our vice president and accounting officer since January 29, 2026. Prior to joining us, Ms. Sun served as Chief Accounting Officer of WITS Corp., and Senior Manager at PwC. Ms. Sun received her master's degree in Accounting from National Chengchi University.

Yung-Hung Lu joined us in 2002. He has served as our vice president since 2025. Mr. Lu is our Finance Supervisor. Previously, he served as a junior manager of Jih Sun International Bank. Mr. Lu received his master's degree in Finance from the National Taiwan University of Science and Technology.

Committees of the Board of Directors

Audit Committee

On June 21, 2019, an audit committee was established to replace the supervisors and strengthen our corporate governance. Our audit committee currently consists of Mr. Kung-Wha Ding, Mr. Tien-Chong Cheng, Ms. Ju-Chin Kung and Mr. Chia-Chi Chang. Mr. Kung-Wha Ding is the convener of our audit committee. All members of our audit committee are independent directors. Our audit committee is responsible for (1) fair presentation of the financial reports of the Company, (2) the hiring (and dismissal), independence, and performance of certified public accountants of the Company, (3) the effective implementation of the internal control system of the Company, (4) compliance with relevant laws and regulations by the Company, (5) management of the existing or potential risks of the Company, and (6) the conduct of mergers and acquisitions by the Company in accordance with the "Business Mergers and Acquisitions Act." In 2023, 2024 and 2025, our audit committee held meetings 14 times, 13 times and 9 times, respectively.

Remuneration Committee

Our remuneration committee currently consists of Ms. Ju-Chin Kung, Mr. Tien-Chong Cheng and Mr. Kung-Wha Ding. Ms. Ju-Chin Kung is the convener of our remuneration committee. All members of our remuneration committee are independent directors. Our remuneration committee is responsible for (1) periodically reviewing the "Remuneration Committee Charter" and making recommendations for amendments, (2) establishing and periodically reviewing the performance assessment standards, annual and long-term performance goals, and the policies, systems, standards, and structure for the compensation of the directors and managerial officers of the Company, and (3) periodically assessing the degree to which performance goals for the directors and managerial officers of the Company have been achieved, and setting the types and amounts of their individual compensation based on the results of the reviews conducted in accordance with the performance assessment standards.

Nominating Committee

Our nominating committee was established on November 14, 2023, and currently consists of Mr. Chia-Chi Chang, Mr. Wen-Tsung Cheng and Mr. Kung-Wha Ding as committee members. Mr. Chia-Chi Chang is the convener of our nominating committee. Our nominating committee is responsible for (1) searching for and reviewing candidates for director, evaluating the independence of independent directors, and submitting the proposed candidate list to the Board, (2) reviewing the performance evaluation of the Board, each committee and each director, (3) establishing and executing the director training program, and (4) other matters to be performed by the committee pursuant to the instructions of the Board.

Sustainable Development Committee

To implement the concept of sustainable management and strengthen the Company's management system in the three major areas of environmental protection, social responsibility and corporate governance for purpose of sustainable development, the Board of Directors resolved to establish the "Sustainable Development Committee" on November 15, 2023. The committee currently consists of Ms. Wen-Hung Hsu, Mr. Wen-Tsung Cheng, Mr. Kung-Wha Ding, Mr. Tien-Chong Cheng and Ms. Ju-Chin Kung. Ms. Wen-Hung Hsu is the convener of our Sustainable Development Committee. Two functional organizations, the "Sustainable Development Team"

and the "Risk Management Team", have been set up under this committee. Chief Sustainability Officer, Mr. Wan-Lee Sun, and Chief Financial Officer, Mr. Steve Lin, serve as team leaders respectively to implement the promotion and execution of sustainable development work.

Compensation of Directors and Executive Officers

Our directors received aggregate remuneration of approximately NT$29.1 million, NT$45.7 million, NT$47.7 million (US$1.5 million), NT$23.9 million and NT$28.4 million (US$0.9 million) in 2023, 2024 and 2025 and as of and for the six months ended June 30, 2025 and 2026, respectively. Our executive officers received aggregate remuneration of approximately NT$127.8 million, NT$344.9 million, NT$486.5 million (US$15.3 million), NT$202.7 million and NT$217.6 million (US$6.8 million) in 2023, 2024 and 2025 and as of and for the six months ended June 30, 2025 and 2026, respectively. Aggregate remuneration includes all salaries, benefits in kind and annual profit-sharing paid in cash and stock, with stock being valued at par value.

In addition, there are no outstanding loans granted by us to any of the directors or executive officers and there are no outstanding guarantees provided by us for the benefit of any of the directors or executive officers. Our directors and executive officers do not have any interests, other than in the ordinary course of business, in our business transactions. In 2023, 2024 and 2025 and as of and for the six months ended June 30, 2025 and 2026, we did not enter into any transactions with our directors or executive officers or any other companies or entities on whose boards they serve which are unusual in their nature or conditions.

PRINCIPAL SHAREHOLDERS

The following table sets forth information concerning the ownership of our Common Shares by each of our directors and executive officers and each person known to us to own more than 5% of our outstanding Common Shares as of July 31, 2026:

	Common Shares	
	Number	*%*
Directors and Executive Officers:†		
Wen-Tsung Cheng(1)	25,757,112	2.0
Wen You Investment Co., Ltd. Representative: Wen-Hung Hsu	*	*
ASMedia Technology Inc. Representative: Che-Wei Lin	188,720,421	14.9
Hsin-Ming Sung Kao	*	*
Omar Baigmirza	*	*
Jen-Hu Huang	*	*
Tien-Chong Cheng	—	—
Ju-Chin Kung	—	—
Kung-Wha Ding	—	—
Chia-Chi Chang	—	—
Shing-Kang Wen	*	*
Wen-Tsung Chang	*	*
Chia-Chang Chang	*	*
Steve Lin	—	—
Yu-Fen Sun	—	—
Yung-Hung Lu	*	*
Principal Shareholders:**		
ASMedia Technology Inc.(2)	188,720,421	14.9
WPG Holdings Limited(3)	135,807,934	10.7
Shao Yang Investment Co., Ltd.(4)	86,590,066	6.8

Notes:

* Represents beneficial ownership of less than one percent.

** Includes beneficial ownership of more than five percent.

† The address of our directors and executive officers is 14F., No. 738, Zhongzheng Rd., Zhonghe Dist., New Taipei City, Taiwan, ROC.

(1) Represents 25,757,112 Common Shares.

(2) Represents 188,720,421 Common Shares held by ASMedia Technology Inc. ASMedia Technology Inc. is a leading fabless IC design house specializing in the design, development and sale of high-speed interface integrated circuits, headquartered in Taipei, Taiwan (stock code: 5269.TW).

(3) Represents 135,807,934 Common Shares held by WPG Holdings Limited. WPG Holdings Limited is a leading electronics distributor headquartered in Taipei, Taiwan (stock code: 3702.TW).

(4) Represents 86,590,066 Common Shares held by Shao Yang Investment Co., Ltd., which is controlled by Wen-Tsung Cheng, our Chairperson and President.

As of July 31, 2026, the total number of our Common Shares held by our directors was 224,565,727, which represented 17.7% of the issued and outstanding Common Shares of our company on that date. As of July 31, 2026, the total number of our Common Shares held by our executive officers was 33,451,870, which represented 2.6% of the issued and outstanding Common Shares of our company on that date. Neither we nor any of our subsidiaries holds any of our Common Shares.

We granted 12,000, 18,854, 22,849,000, 1,870,000, 3,174,000 and 4,200,000 options to certain employees in March 2021 (the "2021 Options"), January 2022 (the "2022 Options"), October 2024 (the "2024 Options"), November 2025 (the "2025 Options"), August 2026 (the "1st 2026 Options") and August 2026 (the "2nd 2026 Options"), respectively, to purchase 12,000,000, 18,854,000, 22,849,000, 1,870,000, 3,174,000 and 4,200,000 Common Shares, respectively, which included 1,810, 2,320, 2,550,000, 200,000, 50,000 and 1,700,000 options, respectively, granted to the officers to purchase 1,810,000, 2,320,000, 2,550,000, 200,000,

50,000 and 1,700,000 Common Shares, respectively. As of July 31, 2026, the number of Common Shares granted but not yet exercised was 582,500 under the 2021 Options, 2,347,700 under the 2022 Options, 21,939,000 under the 2024 Options, 1,870,000 under the 2025 Options, 3,174,000 under the 1st 2026 Options and 4,200,000 under the 2nd 2026 Options. The vesting period of the 2021 Options is six years, the vesting period of the 2022 Options is five years, the vesting period of 2024 Options is six years, the vesting period of 2025 Options is six years, the vesting period of 1st 2026 Options is six years, and the vesting period of 2nd 2026 Options is seven years. Qualified employees may exercise certain percentages of the options after two years from the grant date, under the 2021 Options, the 2022 Options, the 2024 Options, the 2025 Options and the 1st 2026 Options, and after three years from the grant date, under the 2nd 2026 Options. The options were granted at an exercise price equal to the closing price of our Common Shares listed on the grant date, except that the exercise price of the 1st 2026 Options shall not be lower than 50% of the closing price of our Common Shares listed on the issuance date of the 1st 2026 Options. For any subsequent changes in our share capital, the exercise price is adjusted accordingly.

On June 6, 2025, our board approved the issuance of 6,000,000 restricted stock awards representing 6,000,000 Common Shares for no consideration to certain employees (the "**2025 RSAs**"). The Common Shares underlying the 2025 RSAs may be issued in a single tranche or in multiple tranches within two years following receipt of approval from the Financial Supervisory Commission (the "**FSC**"). We obtained the FSC's approval for the 2025 RSAs on July 15, 2025. On November 4, 2025, our board approved the issuance of 4,334,000 restricted stock awards representing 4,334,000 Common Shares under the 2025 RSAs, with an issuance date of November 14, 2025.

CHANGES IN ISSUED SHARE CAPITAL

According to our Articles of Incorporation, we have Common Shares with a par value of NT$10 per share and we may also issue additional Preferred Shares within our authorized share capital. Currently, our Articles of Incorporation provide that our authorized share capital is NT$30,000,000,000, divided into 3,000,000,000 shares, which may consist of Common Shares and Preferred Shares. All issued shares are in registered form.

The following table sets forth the changes in our issued share capital as of the dates indicated since January 2023:

Date	Description	Number of shares issued	Number of total issued shares after issue
February 2023	Cancellation of restricted stock awards: NT$285,000	(28,500)	1,018,501,151
April 2023	Cancellation of restricted stock awards: NT$195,000 Conversion of option: NT$30,450,000	3,025,500	1,021,526,651
August 2023	Cancellation of restricted stock awards: NT$155,000 Conversion of option: NT$2,860,000	270,500	1,021,797,151
November 2023.....	Cancellation of restricted stock awards: NT$605,000 Conversion of option: NT$5,650,000	504,500	1,022,301,651
February 2024	Cash capital increase: NT$1,350,000,000 Cancellation of restricted stock awards: NT$140,000 Conversion of option: NT$6,540,000	135,640,000	1,157,941,651
May 2024	Capital increase for GDS offering: NT$850,000,000	85,000,000	1,242,941,651
June 2024	Cancellation of restricted stock awards: NT$360,000 Conversion of option: NT$78,935,000	7,857,500	1,250,799,151
August 2024	Cancellation of restricted stock awards: NT$77,500 Conversion of option: NT$3,190,000	311,250	1,251,110,401
November 2024.....	Cancellation of restricted stock awards: NT$62,500 Conversion of option: NT$3,125,000	306,250	1,251,416,651
February 2025	Cancellation of restricted stock awards: NT$70,000 Conversion of option: NT$7,370,000	730,000	1,252,146,651
June 2025	Cancellation of restricted stock awards: NT$175,000 Conversion of option: NT$41,215,000	4,104,000	1,256,250,651
September 2025	Cancellation of restricted stock awards: NT$90,000 Conversion of option: NT$3,797,500	370,750	1,256,621,401
October 2025.....	Capital increase for share swap with Nichidenbo Corporation: NT$474,280,000	47,428,000	1,304,049,401
November 2025.....	Capital increase for issuance of restricted employees awards: NT$43,340,000	4,334,000	1,308,383,401
December 2025	Capital increase for issuance of new common shares for GDRs: NT$900,000,000	90,000,000	1,398,383,401
February 2026	Cancellation of restricted stock awards: NT$15,000 Conversion of option: NT$12,040,000	1,202,500	1,399,585,901
March 2026	Capital increase for conversion of employee stock option: NT$8,448,500	844,850	1,400,430,751
March 2026	Capital reduction for cancellation and redemption of Class A Preferred Shares: NT$1,350,000,000	(135,000,000)	1,265,430,751
May 2026	Cancellation of restricted stock awards: NT$15,000 Conversion of option: NT$37,190,500	3,717,550	1,269,148,301

Date	Description	Number of shares issued	Number of total issued shares after issue
August 2026	Cancellation of restricted stock awards: NT$240,000 Capital increase for conversion of employee stock option: NT$14,384,000	1,414,400	1,270,562,701

TRANSACTIONS WITH RELATED PARTIES

We have from time to time engaged in a variety of transactions with our related parties (as defined under T-IFRSs). In considering whether a counterparty is a related party, attention shall be directed to the substance of the relationship in addition to the legal form.

Balances and transactions between us and our related parties have been disclosed in our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 and as of and for the six months ended June 30, 2025 and 2026 included in this Offering Circular.

DESCRIPTION OF OUR SHARE CAPITAL

*Set forth below is certain information relating to our capital stock, including brief summaries of certain provisions of our Articles of Incorporation, the Securities and Exchange Act of the ROC (the "**ROC Securities and Exchange Act**") and the regulations promulgated thereunder, and the Company Act of the ROC (the "**ROC Company Act**").*

General

The Company is incorporated under the ROC law and its securities are issued pursuant to its Articles of Incorporation under the ROC law. As of August 31, 2026, our authorized share capital registered with the MOEA was NT$30,000,000,000, and our paid-in share capital was NT$12,705,627,010, divided into 1,270,562,701 Common Shares, each with a par value of NT$10. On January 15, 2026, the Company resolved to redeem all 135,000,000 Class A Preferred Shares at the original actual issue price, with the effective date of redemption and delisting set on February 26, 2026. As of February 26, 2026, no Preferred Shares remained outstanding following the redemption of all Class A Preferred Shares. Any change in the authorized share capital of a public company limited by shares, such as us, requires an amendment to our Articles of Incorporation (which requires approval at a shareholders' meeting). Authorized but unissued shares may also be issued at such times and, subject to the provisions of the applicable laws and the approval of, or registration with, the MOEA and the FSC, upon terms that our board of directors may determine.

Our Articles of Incorporation authorized the issuance of the Preferred Shares divided into Class A, Class B, Class C, Class D, Class E, Class F, Class G and Class H Preferred Shares. Class A Preferred Shares, Class E Preferred Shares, and Class F Preferred Shares are nonconvertible into Common Shares, while Class B and Class C Preferred Shares are convertible into Common Shares on a one-to-one basis after the third year anniversary of the issuance date, and Class D Preferred Shares, Class G Preferred Shares and Class H Preferred Shares are convertible into Common Shares on a one-to-one basis after the first year anniversary of the issuance date in the manner as prescribed in our Articles of Incorporation.

All issued and outstanding Common Shares are fully paid and in registered form and represent the Company's outstanding share capital.

Preemptive Rights and Issue of New Shares

The ROC Company Act provides that when a company issues new shares for cash, 10% to 15% of such issue must be offered to the issuing company's employees except in certain limited circumstances. In addition, the ROC Securities and Exchange Act and the relevant securities regulations require that if a public company listed on the TWSE or Taipei Exchange intends to offer new shares for cash, at least 10% of the issue must be offered to the public, except under certain circumstances or when exempted by the FSC. This percentage can be increased by a resolution passed at a shareholders' meeting, which will reduce the number of new shares to which existing shareholders may have preemptive rights. Unless the percentage of the shares offered to the public is increased by a resolution, our existing shareholders have a preemptive right to acquire the remaining 75% to 80% of the issue in proportion to their existing shareholdings. The shares not subscribed for by the employees or the shareholders at the expiration of the period for the exercise of their rights may be freely offered by the company (subject to ROC law) to the general public by means of a public offering or to specified persons at the direction of our board of directors.

Transfer of Shares

Shares (in registered form) are transferred by endorsement and delivery of the related share certificates. However, settlement of trading of shares of a listed company, such as our company, is generally carried out on the book-entry system maintained by the Taiwan Depository & Clearing Corporation, or TDCC. Transferees must have their names and addresses registered on our shareholder's register in order to assert shareholder's rights against us. Shareholders are required to register their respective specimen seals or chops with our share registrar.

Shareholders' Meetings

Our annual ordinary shareholders' meetings are usually held in New Taipei City, Taiwan, or an alternative location within the ROC as determined by our Board of Directors, within six months following the end of our fiscal year. Notice in writing of our annual ordinary shareholders' meetings stating the place, time and agenda thereof must be dispatched to each shareholder at least 30 days prior to the date set for the meeting. Special

meetings of our shareholders may also be convened by our audit committee when the Board of Directors does not or cannot convene a shareholders' meeting and/or such a meeting is necessary.

Notice in writing of such special shareholders' meetings stating the place, time and agenda thereof must be dispatched to each shareholder at least 15 days prior to the date set for the meeting.

Notice of the shareholders' meetings shall also be published on the MOPS in accordance with the Taiwan Stock Exchange Corporation Regulations Governing Information Reporting by Listed Companies.

Voting Rights

Each Common Share, Class B Preferred Share and Class C Preferred Share is entitled to one vote at a shareholders' meeting. The holders of our Class A Preferred Shares, Class D Preferred Shares, Class E Preferred Shares, Class F Preferred Shares, Class G Preferred Shares and Class H Preferred Shares are generally not entitled to vote, or to be elected as directors, at meetings of the common shareholders, but for any matter that would adversely affect the holders of Preferred Shares, the holders of the Preferred Shares shall have voting rights in the meetings of the preferred shareholders and in the shareholders' meeting.

Except as otherwise provided by ROC law, a shareholders' resolution may be adopted by vote of the holders of a majority of our issued and outstanding shares represented at a shareholders' meeting at which a majority of the holders of our issued and outstanding shares are present. Notwithstanding the above, in order to approve certain major corporate actions, including (a) any amendment to our Articles of Incorporation (which is required in respect of, inter alia, any increase in authorized share capital and any changes in the rights of different classes of shares), (b) entering into, modification or termination of any contract regarding leasing all of our business, outsourcing our operations or forming joint operations with others, (c) our dissolution, amalgamation or spin-off, the transfer of all or a material part of our business or our property, (d) taking over of the whole of the business or property of any other entity which would have a significant impact on our operations, (e) distribution of any stock dividend, (f) dismissal of any director, (g) lifting of the restriction on the investment limit for investing in other companies as a limited liability shareholder, (h) release of the directors from the prohibition on participation in competitive business, (i) distribution of legal reserve or capital reserve in the form of new shares, (j) ceasing to be a public corporation, and (k) issuing employee restricted shares, a resolution has to be approved by the holders of at least a majority of our shares represented at a meeting of shareholders with a quorum of holders of at least two-thirds of the issued and outstanding shares.

The election of directors (including independent directors) shall be by means of cumulative voting. Ballots for the election of directors are cast separately from those for the election of independent directors. Our Articles of Incorporation provide that the directors (including independent directors) shall be nominated by adopting the candidate nomination system specified in the ROC Company Act. In an election of directors, the shareholders shall elect directors from the list of nominated candidates.

Our shareholders may be represented at an ordinary or a special shareholders' meeting by proxy if a valid proxy form is delivered to us at least five days before the date fixed for the ordinary or special shareholders' meeting. Voting rights attached to our shares exercised by our shareholders' proxies are subject to the proxy regulations promulgated by the FSC.

Any shareholder who has a personal interest in a matter to be discussed at our shareholders' meeting, the outcome of which may impair our interests, shall not vote or exercise voting rights on behalf of another shareholder on such matter.

Registration of Shareholders

With respect to shareholders who have opened book-entry accounts at the TDCC, our register of such shareholders is maintained by the database of the TDCC. With respect to shareholders who have not opened TDCC book-entry accounts, our share registrar, Grand Fortune Securities Co., Ltd, maintains the register of our shareholders at its offices located at 6F., No. 6, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City 100, Taiwan, Republic of China, and enters transfers of shares in such register upon presentation of, among other documents, certificates representing the shares transferred.

For the purpose of determining certain rights, including right to dividends attached to the shares, the ROC Company Act provides that the register of shareholders be closed for a period of 60 days, 30 days and five days immediately before the date of each ordinary shareholders' meeting, each special shareholders' meeting and the record date for a dividend distribution, respectively.

Annual Financial Statements

At least 10 days before our annual ordinary shareholders' meeting, the statements and records of accounts prepared by the board of directors and the report made by the audit committee must be made available at our registered office in New Taipei City and our share registrar, Grand Fortune Securities Co., Ltd., for inspection by our shareholders. According to the ROC Securities and Exchange Act and relevant regulations of the FSC, we are required to publish our annual and quarterly financial statements on a consolidated basis.

Dividends and Distributions

Distribution of dividend and other distributions are generally governed by the ROC Company Act, the ROC Securities and Exchange Act as well as our Articles of Incorporation.

Except under limited circumstances as permitted by the ROC Company Act, an ROC company is not permitted to distribute dividends or make any other distributions to shareholders for any year in which the company does not have current or retained earnings (excluding reserves). In addition, before distributing a dividend or making any other distribution to shareholders, a company must pay all outstanding taxes, recover any past losses, and set aside a reserve (the "**Legal Reserve**"), at 10% of its earnings until such time as its accumulated Legal Reserve equals the amount of its total paid-up capital. In addition, a company may set aside a special reserve in accordance with its articles of incorporation or resolutions of the shareholders' meeting. Subject to compliance with these requirements, a company may pay dividends from its earnings or make other distributions from its reserves as set forth below. There are no fixed dates on which dividend entitlement arises.

In addition to permitting dividends to be paid out of current or retained earnings, the ROC Company Act also permits a company, if it does not have losses, to make distributions to its shareholders in cash or in the form of additional shares of capital stock from the Legal Reserve and the capital surplus of premium from issuing stocks and earnings from gifts received. In the case of distribution from a company's Legal Reserve, however, the portion payable out of such Legal Reserve is limited to the portion by which the accumulated Legal Reserve exceeds 25% of the paid-in capital of the company.

Under the ROC Company Act, following approval at the shareholders' meeting (or approval of the board of directors in respect of cash dividend), dividends are paid to shareholders from a company's current or retained earnings, Legal Reserves or the abovementioned capital surplus (subject to compliance with the above requirements and relevant laws), in proportion to the number of shares owned by each shareholder as listed on the register of shareholders as of the relevant record date. Dividends declared out of earnings may also be distributed either in cash or in the form of common stock or a combination thereof. The ratio between any cash dividend and stock dividend is determined by the shareholders at a shareholders' meeting. Our Articles of Incorporation stipulate our dividend policy that as a principle, not less than 40% of our distributable earnings of the fiscal year shall be distributed as dividend and at least 10% of the distribution shall be cash dividend; if total distribution amount exceeds 30% of our paid-in capital before such distribution, the portion of cash dividend shall be no less than 20% of the total distribution for the fiscal year.

Our Articles of Incorporation provide that the current year's earnings, if any, must first be used to pay all taxes and offset prior years' losses and then 10% of the remaining amount must be set aside as Legal Reserve unless the accumulated Legal Reserve equals the paid-in capital. Additionally, we may set aside a special reserve as required by and in accordance with relevant regulations or the relevant regulatory authority when necessary. The remainder of the current year's earnings, if any, along with the undistributed retained earnings from previous years being the accumulated distributable earnings, will be distributed as the dividend of Preferred Shares in the first priority and the distribution of earnings will be proposed by our board of directors and reported to our shareholders. Pursuant to Article 240 of the ROC Company Act, we authorized the Board of Directors to distribute a portion or all of dividends or bonuses, or the legal reserve and capital surplus in accordance with Article 241 of the ROC Company Act in cash by resolution adopted by a majority in a meeting attended by two-thirds or more of the directors, and the distribution shall then be reported to the shareholders' meeting, instead of being submitted to the shareholders' meeting for approval. In addition, pursuant to our Articles of Incorporation, if we have profits (which means profits before tax without deducting the remuneration of our employees and directors) in the fiscal year, we will allocate between 0.5% and 5% of such profits to employees as employees' compensation, with a minimum of 10% of such employees' compensation to be allocated to entry-level employees and not more than 3% to directors as their remuneration; provided, however, that when we have accumulated losses, the profits shall be reserved to make up for losses. The employees' compensation may, subject to a resolution of the board of directors, be distributed to employees in the form of cash or shares or a combination thereof and the directors' remuneration should be distributed in the form of cash.

We had issued 135,000,000 Class A Preferred Shares with non-cumulative dividends in cash. The dividend yield of these Class A Preferred Shares was subject to reset every 5 years after the issuance date. The dividend yield was 5.1015% per annum, which was last set on October 13, 2025 and became effective on October 15, 2025. On January 15, 2026, the Company's chairman approved a resolution to redeem all the Class A Preferred Shares. The effective date of redemption as well as the delisting date was set on February 26, 2026, and we redeemed all the Class A Preferred Shares at the original actual issue price.

No dividend or distribution shall bear interest against the Company. Upon the date of declaration, we typically remit dividends into a special bank account, and the bank agency will transfer dividends to each shareholder's designated account. In limited cases, we also distribute dividends with non-negotiable notes by registered mails. If a shareholder fails to provide the correct bank account or address for the wire transfer or registered mail and thus is unable to receive dividends, such dividends will remain as a debt due to the shareholder. Any dividend which remains unclaimed after five years from the date of declaration shall be forfeited and returned to us.

All classes of our Preferred Shares are perpetual. Holders of our Preferred Shares have no right to request redemption of such shares by us. However, we may redeem Class A to Class D Preferred Shares in whole or in part at the actual issue price after the day following the fifth anniversary of issuing, redeem Class E and Class G Preferred Shares in whole or in part at the actual issue price after the day following the fourth anniversary of issuing, and redeem Class F and Class H Preferred Shares in whole or in part at the actual issue price after the day following the third anniversary of issuing. The rights and obligations associated with Preferred Shares that are not redeemed will continue as provided in the terms of issuance. Holders of the outstanding Preferred Shares are entitled to receive declared dividends based on the actual days in the redemption year up to the date of redemption should we decide to declare dividends for the redemption year.

For information on the dividends paid by us in recent years, see "Dividends and Dividend Policy." For information as to ROC taxes on dividends and distributions, see "Taxation."

Acquisition of Our Shares by Us

With minor exceptions, we cannot acquire our own Shares under the ROC Company Act. However, under the ROC Securities and Exchange Act, we may by a board resolution adopted by majority consent at a meeting with two-thirds of our directors present, purchase up to 10% of our issued and outstanding Shares on the TWSE or by a tender offer, in accordance with the procedures prescribed by the FSC, for any of the following purposes:

(i) to transfer Shares to our employees;

(ii) to convert bonds with warrants, Preferred Share with warrants, convertible bonds, convertible Preferred Share or certificates of warrants issued by us into the Shares; and

(iii) if necessary, to maintain our credit and our shareholders' equity provided that the Shares so purchased shall be cancelled thereafter.

In addition, we may not spend more than the aggregate amount of the retained earnings, the premium from issuing Shares and the realized portion of the capital reserve to purchase our Shares.

We may not pledge or hypothecate any purchased Shares. In addition, we may not exercise any shareholders' rights attached to such Shares. In the event that we purchase our Shares on the TWSE, our affiliates, directors, and their respective spouses and minor children and/or nominees are prohibited from selling any of our Shares during the period in which we purchase our Shares.

Liquidation Rights

Pursuant to the ROC Company Act, in the event of our liquidation, the assets remaining after payment of all debts, liquidation expenses, taxes and distributions to holders of Preferred Share, if any, will be distributed pro rata to the holders of Shares in accordance with relevant provisions of applicable laws and our Articles of Incorporation.

Substantial Shareholders and Transfer Restrictions

The Company's directors, managers and shareholders (each together with his or her spouse, minor children or nominees) holding more than 10% of the Company's shares are required to report to the Company, on a monthly basis, any changes in their shareholding in the Company. The number of shares that they may sell or transfer on the TWSE on any given day is limited by ROC laws. In addition, they may only sell or transfer such shares on the TWSE at least three days after they have filed a notification with the FSC in connection with such sale or transfer, provided that such notification is not required if the number of shares to be sold or transferred does not exceed 10,000 shares per trading day. A person who individually or together with other persons (as defined under the FSC regulations) acquires more than 5% of the Company's issued and outstanding shares shall report to the FSC, within ten days from the acquisition date, the acquisition purpose, funding sources and other information required by the FSC.

Change in Control

Our Articles of Incorporation do not include any provision that would have an effect of delaying, deferring or preventing a change in control of the Company.

Other Rights of Shareholders

Under the ROC Company Act and ROC Business Mergers and Acquisitions Act, dissenting shareholders are entitled to appraisal rights in the event of a spin-off, a merger or a share swap and various other major corporate actions. Dissenting shareholders may request us to redeem all their shares at a fair price to be determined by mutual agreement. If no agreement can be reached, the valuation will be determined by a court. Subject to applicable law, dissenting shareholders may, among other things, exercise their appraisal rights by notifying us before the related shareholders' meeting and/or by raising and registering their dissent at the shareholders' meeting.

One or more shareholders who have held 3% or more of the issued and outstanding shares for more than one year may require our board of directors to call a special shareholders' meeting by sending a written request, setting forth therein the agenda for discussion and the reasons, to our board of directors. Further, shareholders holding over 50% of our issued shares continuously for three months may convene a special shareholders' meeting by themselves. The ROC Company Act allows shareholders holding 1% or more of the total issued shares of a company to submit, during the period of time prescribed by the company, one proposal in writing for discussion at the ordinary meeting of shareholders. The ROC Company Act also provides that a company may adopt a nomination procedure for election of directors or supervisors. If a company wishes to adopt the nomination procedure, it must be stipulated in its articles of incorporation. With such provision in the articles of incorporation of a company, shareholders representing 1% or more of the total issued shares of such company may submit a candidate list along with relevant information and supporting documents to the company within the period prescribed by the company. Our Articles of Incorporation currently offer such nomination procedure.

DESCRIPTION OF THE BONDS

The Bonds are to be issued under an indenture, to be dated as of September 8, 2026 (the "**Indenture**"), between WT Microelectronics Co., Ltd. (the "**Issuer**" or the "**Company**") and Citicorp International Limited, in its capacity as trustee (the "**Trustee**", which expression shall include its successor(s) and all persons for the time being the trustee or trustees under the Indenture). The following summary of certain provisions of the Bonds and the Indenture does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the provisions of the Bonds and the Indenture, including the definitions of certain terms therein. Whenever particular Sections or defined terms of the Indenture not otherwise defined herein are referred to, such Sections or defined terms are incorporated herein by reference. Copies of the Indenture will be available for inspection by any Holder (as defined below) on or after the Closing Date (as defined below) at the office of the Trustee on any weekday (excluding public holidays) at all reasonable times during normal office hours (being between 9.00 a.m. (Hong Kong time) and 3.00 p.m. (Hong Kong time)) upon prior written request and satisfactory proof of holding to the Trustee.

General

Except in certain limited circumstances, the Bonds will only be issued in book-entry form.

The Bonds will be issued on or about September 8, 2026 (the date on which the Bonds are issued under the Indenture being referred to herein as the "**Closing Date**") as direct, unconditional, unsecured and unsubordinated obligations of the Issuer limited in aggregate principal amount to US$500,000,000 and will be redeemed on June 8, 2027 (the "**Maturity Date**") unless earlier redeemed, repurchased and canceled or converted pursuant to the terms thereof and of the Indenture.

The Bonds will not bear interest.

Each Bond will be convertible into the Common Shares (as defined below), subject to compliance with certain conditions and procedures (see "— Conversion — Procedures; Conversion Notice; Taxes and Duties" below), at the Holder's election on any Business Day (as defined below) during the period (the "**Conversion Period**") commencing on December 9, 2026 (the next day immediately after the end of a three-month period following the Closing Date) and ending at the close of business in the location of the Conversion Agent (as defined below) on (i) May 29, 2027 (the tenth (10^{th}) day prior to the Maturity Date) or (ii) the fifth (5th) Business Day prior to the applicable Purchase Date of such Bonds or date fixed for redemption (other than the Maturity Date) of such Bond pursuant to a notice of redemption given by the Issuer in accordance with the provisions of the Indenture. The Conversion Period shall not include any Closed Period (as defined below).

The principal of and other amounts on the Bonds will be payable in US Dollars by the Issuer pursuant to the Indenture, and the Bonds may be presented for registration of transfer, exchange or conversion, at the office or agency of the Issuer or maintained for such purpose at c/o Citibank, N.A., Dublin Branch, 1 North Wall Quay, Dublin 1, Ireland, being the office of Citibank, N.A., London Branch, a banking corporation organized and existing under the laws of the State of New York with limited liability, acting as paying agent (the "**Paying Agent**"), as conversion agent (the "**Conversion Agent**"), as transfer agent (the "**Transfer Agent**") and as registrar (the "**Registrar**", together with the Paying Agent, the Conversion Agent and the Transfer Agent, collectively the "**Agents**" and each an "**Agent**") of the Issuer with regard to the Bonds.

The Issuer reserves the right, subject to the provisions of the Indenture and the Paying Agent and Registrar Appointment Letter, at any time to vary or terminate the appointment of any Agents and to appoint further or other Agents, provided that the Issuer will at all times maintain an office or agent having offices in an European Union member state. Notice of any such termination or appointment and of any changes in the specified offices of any Agent will be given promptly by the Issuer to the Holders (and other applicable parties) in accordance with the notice provisions of the Indenture as described below under "— Notices".

The Bonds will be issued only in fully registered form, without interest coupons, at 100% of par value in denominations of US$200,000 and any integral multiples thereof. See "— Book Entry; Delivery and Form" below. No service charge will be payable for any registration of transfer or exchange of the Bonds, for the conversion thereof or for the charges of the Agents in connection therewith, but the Issuer may require payment by a Holder of a sum sufficient to cover any transfer or stamp tax or other similar governmental charge payable in connection therewith.

The Issuer and its Affiliates (as defined below) may at any time, subject to applicable law, purchase the Bonds in the open market, or otherwise, at any price. The Bonds which are purchased by the Issuer (including purchase in the open market), early redeemed, repurchased and repaid when due, converted or sold back by the Holders will be canceled and will not be re-issued. A Bond does not cease to be outstanding because any of the Issuer's Affiliates holds such Bond; provided, however, any Bonds owned by any Affiliate of the Issuer will be deemed not to be outstanding in determining whether the Holders of the requisite principal amount of Bonds have given or concurred in any request, demand, authorization, direction, notice, consent or waiver under the Indenture.

Further Issues

To the extent permitted by applicable laws of the ROC, the Issuer may from time to time, without the consent of the Holders, create and issue, pursuant to the Indenture, additional bonds, having the same terms and conditions under the Indenture as the previously outstanding Bonds in all respects, except for issue date and issue price. Additional bonds may be consolidated with and form a single series with the previously outstanding Bonds; provided, however, that such additional bonds will not be issued under the same CUSIP, ISIN or other identifying number as the outstanding Bonds unless such additional bonds are fungible with the outstanding Bonds for U.S. federal income tax purposes.

Book Entry; **Delivery and Form**

The Bonds will only be represented by a permanent global certificate in fully registered book-entry form (the "**Global Bond**") and will be deposited with a common depositary (the "**Common Depositary**") for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream**") and registered in the name of a nominee of the Common Depositary. If (i) at any time, the Common Depositary advises the Issuer in writing that it is unwilling or unable to continue as a depository for the Global Bond and a successor depository is not appointed within 90 days, (ii) either Euroclear or Clearstream or any alternative clearing system on behalf of which the Bonds evidenced by the Global Bond may be held is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so, or (iii) an Event of Default has occurred and is continuing with respect to the Bonds and (x) the Trustee notifies the Issuer, (y) the Holders of not less than 25% in aggregate principal amount of the Bonds then outstanding notifies the Issuer and the Trustee or (z) the Trustee at the written direction of Holders of not less than 25% in aggregate principal amount of the Bonds then outstanding (subject to being indemnified and/or secured and/or prefunded by such Holders to its satisfaction) notifies the Issuer, in writing that any of the Bonds have become immediately due and payable pursuant to the Indenture, and if the Issuer has received a written request from a Holder, the Issuer shall issue individual certificated bonds in registered form in exchange for the Global Bond in any authorized denominations and in an aggregate principal amount equal to the principal amount of the Global Bond. The Bonds will have minimum denominations of US$200,000 or in any integral multiples thereof.

The Bonds are not issuable in bearer form.

Transfers of interests in the Bonds evidenced by the Global Bond will be effected in accordance with the rules of the relevant clearing systems. In addition, transfers of the Bonds and Common Shares are subject to certain restrictions. See "Transfer Restrictions".

Ranking

The Bonds will (i) be direct, unconditional, unsecured and unsubordinated obligations of the Issuer, (ii) rank pari passu without any preference or priority among themselves and with all other direct, unconditional, unsecured and unsubordinated Debt (as defined below) of the Issuer now or hereafter outstanding (except to the extent that such other Debt (x) ranks above such obligation solely by reason of Liens (as defined below) permitted under the Indenture or (y) is preferred by mandatory provisions of law), and (iii) be senior in right of payment to all Debts of the Issuer that is expressed to be subordinated in right of payment to the Bonds.

The Bonds will be effectively subordinated to all secured obligations but subject to the negative pledge as described in "Certain Covenants — Negative Pledge" of the Issuer with respect to claims against the assets securing such obligations ("**Secured Debt**"). As of June 30, 2026, the Issuer had no outstanding Secured Debt.

Sinking Fund

The Bonds will not be entitled to the benefit of a sinking fund.

Transfer of Certificated Bonds and Delivery of New Certificated Bonds

In the event Certificated Bonds (as defined below) are issued, the following provisions will apply:

(i) Transfer of Certificated Bonds

A Certificated Bond may be transferred upon the surrender at the specified office of the Transfer Agent of the Certificated Bonds to be transferred, together with the form of transfer endorsed thereon (the "***Form of Transfer***") duly completed and executed and any other evidence that such Transfer Agent may require. In the case of a transfer of only part of a holding of Certificated Bonds, a new Certificated Bond shall be issued to the transferee in respect of the part transferred and a further new Certificated Bond in respect of the balance of the holding not transferred shall be issued to the transferor. The Form of Transfer will be available at the specified office of the Transfer Agent.

(ii) Delivery of New Certificated Bonds

Each new Certificated Bond shall be available for delivery upon receipt by the Transfer Agent at its specified office of the relevant Certificated Bond and the Form of Transfer.

Delivery of the new Certificated Bonds shall be made at the specified office of such Transfer Agent to whom the relevant Certificated Bond and the Form of Transfer shall have been surrendered or delivered or, at the option of the Holder making such delivery or surrender as aforesaid and as specified in the relevant Form of Transfer or otherwise in writing, be mailed by uninsured post at the risk of the Holder entitled to the new Certificated Bond to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify.

(iii) Formalities Free from Charge

Transfers of the Certificated Bonds will be effected without charge by or on behalf of the Issuer or any Transfer Agent, but only upon confirmation of payment (or the giving of such indemnity and/or security and/or prefunding as such Transfer Agent may require in respect) of any tax or other governmental charges which may be imposed in relation thereto.

(iv) Restricted Transfer Periods

No Holder may require the transfer of a Certificated Bond to be registered (i) during the period of 15 days ending on (and including) a Redemption Date (as defined below), (ii) after such Bond has been selected by the Issuer or the Holder for redemption, pursuant to the terms of the Indenture or (iii) after such Holder has exercised its Conversion Right (as defined below).

Payments

All amounts due under, and all claims arising out of or pursuant to, the Bonds and/or the Indenture from or against the Issuer shall be payable and settled in US Dollars only.

The definitions of certain terms used in this section and the Indenture are listed below.

"**Fixed Exchange Rate**".....means the fixed rate of US$1.00=NT$31.604.

"**Independent Investment Bank**".....means (i) an independent investment bank of international repute or (ii) leading independent securities company or bank in the ROC (in each case of (i) and (ii), acting as an expert) selected by the Issuer at the expense of the Issuer and notified in writing to the Trustee and the Agents.

"**NT Dollars**" or "**NT$**" .....means the lawful currency for the time being of the ROC.

"**Prevailing Rate**" .....for each Rate Calculation Date, means a rate determined by the Issuer in good faith as follows:

(a) the fixing rate at 11:00 a.m., expressed as the number of NT Dollars per one US Dollar, quoted by Taipei Forex Inc.;

(b) if no such rate is available under sub-paragraph (a), the prevailing rate determined by the Issuer in good faith on the basis of quotations provided by the Reference Dealers of the specified exchange rate for the Rate Calculation Date as obtained in accordance with the provisions below; and

(c) if fewer than two quotations are provided under sub-paragraph (b), the exchange rate for the Rate Calculation Date as shall be determined by an Independent Investment Bank in good faith.

In determining the prevailing rate under sub-paragraph (b), the Issuer will request the Taipei office of each of the Reference Dealers to provide a quotation of what the specified screen rate would have been had it been published, reported or available for the Rate Calculation Date, based upon each Reference Dealer's experience in the foreign exchange market for NT Dollars and general activity in such market on the Rate Calculation Date. The quotations used to determine the Prevailing Rate for a Rate Calculation Date will be determined in each case for such Rate Calculation Date, and will be requested at 3:30 p.m. (Taipei time) on such Rate Calculation Date or as soon as practicable after it is determined that the specified screen rate was not available.

If four quotations are provided, the rate for a Rate Calculation Date will be the arithmetic mean of the rates, without regard to the rates having the highest and lowest value. For this purpose, if more than one quotation has the same highest value or lowest value, then the rate of only one of such quotations shall be disregarded. If two or three quotations are provided, the rate for a Rate Calculation Date will be the arithmetic mean of the rates provided.

As soon as practicable and no later than one Business Day after the Prevailing Rate has been determined, the Issuer will notify the Paying Agent and the Trustee by email or facsimile of the Prevailing Rate and the applicable Settlement Equivalent on the Rate Calculation Date.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of determining the Prevailing Rate, whether by the Reference Dealers (or any of them), the Issuer or the Independent Investment Bank, will (in the absence of fraud, willful default or gross negligence) be binding on the Issuer and all Bondholders, and for administrative purpose only (without assuming any liability) on the Trustee and the Agents.

"**Rate Calculation Date**".....means the day which is five Business Days before the due date of the relevant amount.

"**Reference Dealers**".....means four leading dealers engaged in the foreign exchange market of the relevant currency selected by the Issuer.

"**Settlement Equivalent**".....for the relevant Rate Calculation Date in respect of any US Dollar-denominated amount payable in respect of the Bonds, means such US Dollar amount converted into NT Dollar amount using the Fixed Exchange Rate, and then converted back to US Dollar amount using the applicable Prevailing Rate on such date.

"**US Dollars**" or "**US$**".....means the lawful currency for the time being of the United States of America.

Interest

The Bonds will not bear interest.

In any case where the date of the payment of the principal of the Bonds or the date fixed for redemption of the Bonds is not a Business Day (as defined below), then payment of such principal or the Early Redemption Amount (as defined below) shall be made on the next succeeding Business Day, with the same force and effect as if made on the Maturity Date or the date fixed for redemption, as the case may be, and no interest shall accrue for the period after such date.

Additional Amounts

All payments of the principal of and other amounts on the Bonds and all deliveries of Common Shares (as defined below) made on conversion of the Bonds are to be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or other governmental charges ("**Taxes**") imposed, levied, collected, withheld or assessed by or within the ROC or any other jurisdiction in which the Issuer is organized or resident for tax purposes or from which any payment on the Bonds is made (or any political subdivision or Taxing Authority (as defined below) thereof or therein), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Issuer will pay such additional amounts on the Bonds (all such additional amounts being referred to herein as "**Additional Amounts**") as will result in receipt by the Holder of each Bond of such amounts as would have been received by such Holder had no such withholding or deduction been required, except that no Additional Amounts shall be payable for or on account of:

(i) any Taxes that would not have been imposed but for:

(A) the existence of any present or former connection between the Holder of such Bond and the ROC or any other jurisdiction in which the Issuer is organized or resident for tax purposes, other than merely holding such Bond or receiving payments or enforcing rights thereunder, including such Holder being or having been a national, domiciliary or resident of or treated as a resident thereof or being or having been present or engaged in a trade or business therein or having had a permanent establishment therein;

(B) the presentation of such Bond (if presentation is required) more than 30 days after the later of the date on which the payment of the principal of or other amounts on such Bond became due and payable pursuant to the terms thereof or the date that such payment was made or duly provided for, except to the extent that the Holder thereof would have been entitled to such Additional Amounts if it had presented such Bond for payment on any date within such 30 day period; or

(C) the presentation of such Bond (if presentation is required) for payment in the ROC, unless such Bond could not have been presented for payment elsewhere;

(ii) any estate, inheritance, gift, sale, transfer, stamp, personal property or similar tax, assessment or other governmental charge; or

(iii) any combination of Taxes referred to in the preceding clauses (i) and (ii),

The Issuer will not pay Additional Amounts if the registered Holder of the Bond is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that the beneficiary, partner or settler with respect to such fiduciary, partnership or person, or the beneficial owner of that payment, would not have been entitled to the Additional Amounts if it had been the registered Holder of the Bonds.

Whenever there is mentioned, in any context, (i) the payment of the principal of and other amounts on any Bond, or (ii) the delivery of Common Shares or cash payments (if any) on conversion of any Bond, such mention shall be deemed to include the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable with respect thereto.

Subject to certain exceptions, the Issuer will pay any present or future stamp, court or documentary taxes, or any other excise or property taxes, charges or similar levies which arise in any jurisdiction from the issue, initial delivery or registration of the Bonds or any other document or instrument referred to herein, including those

resulting from or required to be paid in connection with, the enforcement of the Bonds or any other document or instrument following the occurrence of any Event of Default with respect to the Bonds and excluding those payable upon issue and delivery of Bonds to the order of a person other than a Holder.

Neither the Trustee nor any Agent shall be responsible for paying any Additional Amounts, or for determining the amounts thereof or whether such amounts are payable, and none of them shall be responsible or liable for any failure by the Issuer, the Holders or any other person to pay any such Additional Amounts, or be responsible to provide any notice or information in relation to the Bonds in connection with payment of any tax, duty, charges, assessments, withholding or other payment imposed by or in any jurisdiction.

The Paying Agent and the Trustee will make payments free of withholdings or deductions on account of taxes unless required by applicable law. If such a deduction or withholding is required by applicable law, the Paying Agent or the Trustee will not be obligated to pay any Additional Amount to the recipient unless such an Additional Amount is received by the Paying Agent or the Trustee in immediately cleared and available funds.

Redemption of the Bonds

Redemption for Taxation Reasons

The Bonds may be redeemed, in whole but not in part (subject to the provision of the paragraph below), at the option of the Issuer, at any time, upon giving not less than 30 nor more than 60 days' notice to the Holders (which notice shall be irrevocable) and upon written notice to the Trustee and the Agents, at the Settlement Equivalent of the applicable Early Redemption Amount on the Redemption Date (as defined below), if the Issuer determines and certifies to the Trustee in a Company's Certificate immediately prior to the giving of such notice that, as a result of any change in, or amendment to the laws (including any regulations or rulings promulgated thereunder) of the ROC or such other jurisdiction in which the Issuer is then organized or resident for tax purposes (or any political subdivision or Taxing Authority thereof or therein), affecting taxation, or any change in official position regarding the application, interpretation or administration of such laws, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction), which change, amendment, application, interpretation or administration is proposed and becomes effective on or after the Closing Date (or, in the case of any jurisdiction other than the ROC, the date (if later than the Closing Date) on which the Issuer first becomes organized or resident for tax purposes in such other jurisdiction) with respect to any payment due or to become due on the Bonds, the Issuer is required to pay Additional Amounts in connection therewith and such requirement to pay Additional Amounts cannot be avoided by the taking of reasonable measures by the Issuer; provided that such right cannot be exercised earlier than 45 days prior to the first date on which the Issuer would be obligated to make an Additional Amounts payment with respect to all or substantially all of the outstanding Bonds were a payment then due.

Prior to the giving of any such notice of redemption, the Issuer is required to deliver to the Trustee and the Agents (i) a Company's Certificate stating that such change or amendment has occurred, describing the facts related thereto and stating that such requirement cannot be avoided by the Issuer taking reasonable measures and (ii) an opinion of counsel or written advice of a qualified tax expert that the circumstances referred to in the preceding sentence exist as a result of such change, amendment, application, interpretation or administration. The Trustee and the Agents shall be entitled to accept and rely conclusively on such certificate, opinion and notice as sufficient evidence of the satisfaction of the conditions precedent described above, in which event, the same shall be conclusive and binding on the Holders. The Trustee and the Agents are not obligated to verify any information in any certificate, opinion or notice.

Notwithstanding the foregoing, if the Issuer has given a redemption notice for taxation reasons in accordance with the paragraph above and if the outstanding principal amount of the Bonds at the time when such redemption notice is given is greater than 10% of the aggregate principal amount of the Bonds as of the Closing Date, each Holder of the Bonds will have the right to elect, and the redemption notice will state that each Holder will have the right to elect, that all or a portion of its Bonds should not be redeemed. Upon the exercise of such right by the Holder, the provisions set forth in "—Additional Amounts" will not apply to any payment in respect of such Bonds that is due after the relevant Redemption Date, and such payment will be made subject to the deduction of any ROC tax (or tax of such other jurisdiction in which the Issuer is then organized or resident for tax purposes) required to be withheld or deducted. To exercise such right the Holder must give notice to the Issuer in the manner set out in the Indenture no later than 15 days prior to the relevant Redemption Date.

Redemption at the Option of the Issuer

At any time after December 8, 2026 and prior to the Maturity Date, the Issuer may, on not less than 30 nor more than 60 days' written notice to the Holders (which notice shall be irrevocable and, for the avoidance of doubt, may only be served by the Issuer after December 8, 2026) and upon written notice to the Trustee and the Agents, redeem the Bonds, in whole or in part, at the Settlement Equivalent of the applicable Early Redemption Amount; provided, however, that no such redemption may be made unless:

(i) the Closing Price of the Common Shares for 20 out of the 30 consecutive Trading Days (the "**Calculation Period**") immediately prior to the date on which notice of such redemption is given, is at least 120% of the quotient of the Early Redemption Amount divided by US$200,000, and then multiplied by the prevailing Conversion Price (as defined below); and

(ii) the applicable Redemption Date does not fall within a Closed Period (as defined below);

If there shall occur an event giving rise to a change in the Conversion Price during any Calculation Period, appropriate adjustments for the relevant days, determined by an opinion of an Independent Investment Bank, shall be made for the purpose of calculating the Closing Price for such days. Notice of any such adjustments in the Conversion Price will be given promptly by the Issuer to the Trustee and the Agents.

Notwithstanding the foregoing, the Issuer may redeem the Bonds, in whole but not in part, at any time, on not less than 30 nor more than 60 days' notice (which notice shall be irrevocable) to the Holders, the Trustee and the Agents, at the Settlement Equivalent of the applicable Early Redemption Amount if more than 90% in principal amount of the Bonds originally issued has been redeemed, repurchased and canceled or converted; provided that the applicable Redemption Date does not fall within a Closed Period (as defined below).

Notice of any such redemption will be given by the Issuer to the Holders (and other applicable parties) in accordance with the notice provisions of the Indenture as described below under "— Notices".

Redemption at Maturity

Unless the Bonds have been previously redeemed, repurchased and canceled or converted, the Issuer will redeem the Bonds on the Maturity Date at the Settlement Equivalent of a redemption price equal to 100.00% of the outstanding principal amount thereof. The Bonds may be redeemed prior to the Maturity Date only as described herein.

Redemption Procedures

Payment of the relevant redemption price for a Certificated Bond is conditioned upon delivery of such Bond (together with necessary endorsements) to any Paying Agent. Payment of the relevant redemption price for any Bond will be made on the Redemption Date or, if such Bond is a Certificated Bond and has not been so delivered on or prior to the Redemption Date, at the time of delivery of such Bond. If the Paying Agent holds, in accordance with the terms of the Indenture, cash sufficient to pay the relevant redemption price of such Bond on the Redemption Date, then, immediately after such Redemption Date, such Bond will cease to be outstanding, whether or not such Bond is delivered to a Paying Agent, and all other rights of the Holder shall terminate (other than the right to receive the relevant redemption price).

In the case of any redemption other than on the Maturity Date, notice of redemption to each Holder shall specify the outstanding principal amount of each Bond held by such Holder to be redeemed, the Redemption Date, the price at which such Bonds will be redeemed and the place or places of payment and that payment will be made upon presentation and surrender of the Bonds to be redeemed. Such notice shall also specify the Conversion Price then in effect and the date on which the right to convert such Bonds will expire. Neither the Trustee nor any of the Agents shall be responsible for monitoring or taking any steps to ascertain whether any of the circumstances mentioned above has occurred or for calculating or verifying the calculations of any amount payable under any notice of redemption hereunder and none of them shall be liable to the Holders or the Issuer or any other person for not doing so.

Repurchase of the Bonds

Repurchase in the Event of Delisting

In the event that the Common Shares cease to be listed or admitted to trading on the TWSE (a "**Delisting**") each Holder shall have the right (the "**Delisting Put Right**"), at such Holder's option to require the Issuer to repurchase, in whole or in part (being US$200,000 in principal amount or any integral multiples thereof), such Holder's Bonds on the 20th Business Day after the Issuer provides a notice to Holders, the Trustee and the Agents regarding the Delisting referred to under "— Repurchase Procedures" below (the "**Delisting Put Date**") at the Settlement Equivalent of the applicable Early Redemption Amount with respect to such Holder's Bonds to be repurchased on the Delisting Put Date (the "**Delisting Put Price**").

Repurchase in the Event of Change of Control

If a Change of Control (as defined below) occurs with respect to the Issuer, each Holder shall have the right (the "**Change of Control Put Right**"), at such Holder's option, to require the Issuer to repurchase, in whole or in part (being US$200,000 in principal amount or any integral multiples thereof), such Holder's Bonds on the date set by the Issuer for such repurchase (the "**Change of Control Put Date**"), which shall be not less than 30 nor more than 60 days following the date on which the Issuer notifies the Holders, the Trustee and the Agents in writing of the Change of Control, at the Settlement Equivalent of the applicable Early Redemption Amount with respect to such Holder's Bonds to be repurchased on the Change of Control Put Date (the "**Change of Control Put Price**").

Repurchase Procedures

Not less than 30 nor more than 60 days promptly after becoming aware of a Delisting or Change of Control, the Issuer will provide a notice to the Holders, the Trustee and the Agents regarding such Delisting Put Right or Change of Control Put Right, as the case may be, which notice shall state, as appropriate:

(i) the Delisting Put Date or the Change of Control Put Date, as the case may be (each, a "**Purchase Date**");

(ii) in the case of a Delisting, the date of such Delisting and, briefly, the events causing such Delisting;

(iii) in the case of a Change of Control, the date of such Change of Control and, briefly, the events causing such Change of Control;

(iv) the date by which the Holder Purchase Notice (as defined below) must be given;

(v) the Delisting Put Price or the Change of Control Put Price, as the case may be, and the method by which such amount will be paid;

(vi) the names and addresses of all Agents;

(vii) briefly, the Conversion Right (as defined below) of the Holders and the then current Conversion Price and the date on which the right to convert such Bond will expire;

(viii) the procedures that Holders must follow and the requirements that Holders must satisfy in order to exercise their repurchase rights and/or Conversion Right; and

(ix) that a Holder Purchase Notice, once validly given, may not be withdrawn.

To exercise its right to require the Issuer to repurchase its Bonds, the Holder must deliver a written irrevocable notice of the exercise of such right (a "**Holder Purchase Notice**") to any Paying Agent on any Business Day prior to the close of business at the location of such Paying Agent on such day and which day is not less than ten (10) Business Days prior to the Purchase Date.

Payment of the Delisting Put Price upon exercise of the Delisting Put Right or Change of Control Put Price upon exercise of the Change of Control Put Right for any Certificated Bond for which a Holder Purchase Notice has been delivered is conditioned upon delivery of such Certificated Bond (together with any necessary endorsements) to any Paying Agent on any Business Day together with the delivery of such Holder Purchase

Notice and will be made promptly following the later of the Purchase Date and the time of delivery of such Certificated Bond. If the Paying Agent holds on the Purchase Date money sufficient to pay the Delisting Put Price or the Change of Control Put Price, as the case may be, of Bonds for which Holder Purchase Notices have been delivered in accordance with the provisions of the Indenture upon exercise of such right, then, whether or not such Bond is delivered to the Paying Agent, on and after such Purchase Date, (i) such Bond will cease to be outstanding, (ii) such Bond will be deemed paid, and (iii) all other rights of the Holder shall terminate (other than the right to receive the Delisting Put Price or the Change of Control Put Price, as the case may be).

Neither the Trustee nor any Agent shall be required to monitor or to take any steps to ascertain whether a Change of Control, Delisting or any event which could lead to a Change of Control or Delisting has occurred or may occur and each of them shall be entitled to assume that no such event has occurred until it has received written notice to the contrary from the Issuer and none of them shall have any obligation or duty to verify the accuracy, completeness, content, validity and/or genuineness of any notices or documents in relation to or in connection with a Change of Control or Delisting and none of them shall be liable to the Holders, the Issuer or any other person for any loss arising from their not doing any of the foregoing.

Certain Definitions

Set forth below is a summary of certain of the defined terms used in the covenants and other provisions of the Indenture. Reference is made to the Indenture for the full definition of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

"**Affiliate**".....means, with respect to any Person (the "**Specified Person**"), (i) any Person other than the Specified Person directly or indirectly controlling, controlled by or under direct or indirect common control with, the Specified Person or (ii) any Person who is a director or executive officer (A) of the Specified Person, (B) of any Subsidiary of such Specified Person or (C) of any Person described in clause (i) above. For purposes of this definition, the term "control" when used with respect to any Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

"**Agent**".....means any registrar, paying agent, conversion agent and transfer agent, including any successor registrar, paying agent, conversion agent and transfer agent.

"**Business Day**".....means any day except a Saturday, Sunday or other day on which commercial banks in Taipei, Hong Kong, London, and the City of New York (or, if applicable, in the city where the relevant Paying Agent is located) are authorized by law to close or are otherwise not open for business.

"**Capital Stock**".....means, with respect to any Person, any and all shares, ownership interests, participation or other equivalents (however designated), including all common stock and all preferred stock, of such Person.

"**Certificated Bonds**".....means the individual certificated Bonds executed and delivered by the Issuer and authenticated by or to the order of the Trustee, which may be delivered in exchange for the Global Bond in certain circumstances.

"**Change of Control**".....occurs when:

(1) any Person or Persons (as defined below) acting together acquires Control of the Issuer if such Person or Persons does not or do not have, and would not be deemed to have, Control of the Issuer on the Closing Date; or

(2) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer's assets to any other Person, unless the

consolidation, merger, sale or transfer will not result in the other Person or Persons acquiring Control over the Issuer or any successor entity; or

(3) one or more other Persons acquire the legal or beneficial ownership of all or substantially all of the Issuer's Capital Stock.

"**Closing Price**".....means for any Trading Day (a) with respect to the Common Shares, the closing sales price of the Common Shares on the TWSE on such day or, if no reported sales take place on such day, the average of the reported closing bid and offered prices, in either case as reported by the TWSE for such day as furnished by an Independent Investment Bank, and (b) with respect to Capital Stock of the Issuer (other than Common Shares), the closing bid price for such Capital Stock (other than Common Shares) on the Selected Exchange (as defined under "**Trading Day**" below); provided that for the purpose of determining the Closing Price used in "— Redemption at the Option of the Issuer" above for all Trading Days on or between the ex-rights or ex-dividends date and the record date for the determination of the shareholders entitled to receive such rights or dividends, the Closing Price shall be adjusted upwards to include the value of such rights or dividends.

"**Common Shares**" .....means shares of the common stock of the Issuer, par value NT$10.0 per share.

"**Control**" .....means (i) the right to appoint and/or remove all or the majority of the members of the Issuer's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise; or (ii) the acquisition or control of more than 50% of the voting rights of the issued share capital of the Issuer.

"**Conversion Price**" .....means the initial conversion price of NT$224.54 per Common Share set forth on the cover of this offering circular, subject to adjustment in the manner provided in "— Conversion — Adjustments to the Conversion Price" below.

"**Debt**".....means, with respect to any Person at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of trading, (iv) all obligations of such Person as lessee which are capitalized in accordance with the generally accepted accounting principles applicable to such Person, (v) all indebtedness secured by a Lien on any asset of such Person, whether or not such indebtedness is otherwise an obligation of such Person, (vi) all obligations of such Person to purchase securities or other property that arise out of or in connection with the sale of the same or substantially similar securities or property, (vii) all non-contingent obligations of such Person to reimburse any bank or other Person in respect of amounts paid under a letter of credit or similar instrument and (viii) all indebtedness of others guaranteed by such Person.

"**Default**" .....means any condition or event which, with the giving of notice or lapse of time or both, would become an Event of Default (as defined below).

"**Early Redemption Amount**" .....means, for each US$200,000 principal amount of the Bonds, the amount calculated in accordance with the following formula, rounded (if necessary) to two decimal places with 0.005 being rounded upwards:

Early Redemption Amount = $I \times (1 + r/2)^{d/180}$

where:

I = Issue price (100 % of principal amount) of the Bonds.

r = 0.00% expressed as a decimal.

d = number of days from, and including, the Closing Date to, but excluding, the date for redemption, calculated on the basis of a 360-day year consisting of 12 months of 30 days each, and in the case of an incomplete month, the actual number of days elapsed.

Semi-Annual Date	**Early Redemption Amount (in US Dollars)**
March 8, 2027	200,000.00

"**FSC**" .....means the Financial Supervisory Commission of the ROC.

"**Holder**", "**holder**" and "**Bondholder**".in relation to a Bond means the person in whose name a Bond is registered in the Bond register.

"**Lien**".....means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such property or asset, including, without limitation, the right of a vendor, lessor or similar party under any conditional sales agreement, capital lease or other title retention agreement relating to such property or asset, and any other right of or arrangement with any creditor to have its claims satisfied out of any property or assets, or the proceeds therefrom prior to any general creditor of the owner thereof.

"**Market Value**".....means (i) in the case of Common Shares, the average of the Closing Prices of the Common Shares for the most recent 30 Trading Days, (ii) in the case of Capital Stock (other than Common Shares) which is listed on the Selected Exchange, the average of the Closing Prices of such Capital Stock (other than Common Shares) for the most recent 30 Trading Days and (iii) in the case the market value cannot be determined pursuant to the procedures above, the market value determined by an opinion of an Independent Investment Bank.

"**Person**".....means any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organization, trust, state or agency of a state (in each case whether or not being a separate legal entity) limited liability company, government or political subdivision or agency or instrumentality thereof, or any other entity or organization; provided that in the context of a Change of Control, a Person does not include the Issuer's board of directors or any other governing board and does not include the Issuer's wholly-owned direct or indirect subsidiaries.

"**Principal Subsidiary**".....means any Subsidiary (as defined below) of the Issuer (i) whose gross revenues, as shown by the latest audited income statement (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary, exceed 10% of the consolidated gross revenues as shown by the then latest published audited consolidated income statement of the Issuer and its Subsidiaries; (ii) whose gross assets, as shown by the latest audited balance sheet (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary, exceed 10% of the gross consolidated assets as shown by the then latest published audited consolidated balance sheet of the Issuer and its Subsidiaries; or (iii) to which is transferred the whole or substantially the whole of the assets and undertaking of a Subsidiary which immediately prior to such transfer is

a Principal Subsidiary, provided that, in such a case, the Subsidiary so transferring its assets and undertaking shall thereupon cease to be a Principal Subsidiary unless such Subsidiary would continue to be a Principal Subsidiary on the basis of such accounts by virtue of the provisions of paragraph (i) above. References to the audited income statement and balance sheet of a Subsidiary which has subsidiaries shall be construed as references to the audited consolidated income statement and consolidated balance sheet of such Subsidiary and its subsidiaries, if such are required by law to be produced, or if no such income statement or balance sheet is required by law to be produced or is not produced when the Subsidiary becomes a Principal Subsidiary, to a pro forma income statement or balance sheet for the purpose of such determination.

"**Purchase Date**".....has the meaning specified under the caption "— Repurchase Procedures" above.

"**Redemption Date**".....means, with respect to any Bond, (i) the date fixed for redemption of such Bond pursuant to a notice of redemption given by the Issuer in accordance with the provisions of the Indenture; or (ii) the Maturity Date of such Bond if such Bond has not been redeemed, repurchased and canceled or converted in accordance with its terms prior to the Maturity Date.

"**Securities Act**".....means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"**Subsidiary**".....means, with respect to any Person, (a) any entity which is controlled or of which more than 50% of its Capital Stock is owned directly or indirectly by such Person, or (b) any entity which at any time has its accounts consolidated with those of that Person or which, under the law, regulations or generally accepted accounting principles of the jurisdiction of incorporation of such Person from time to time, should have its accounts consolidated with those of that Person.

"**Taxing Authority**".....means any government or political subdivision or any authority or agency thereof, having the legal power and authority to levy a mandatorily payable charge, assessment or tax.

"**Trading Day**".....means (a) with respect to the Common Shares, a day when the TWSE is open for business, provided, however, if no transaction price or closing bid and offered prices are reported by the TWSE in respect of the Common Shares for one or more Trading Days, such day or days will be disregarded in any relevant calculation and will be deemed not to have existed when ascertaining any period of consecutive Trading Days and (b) with respect to Capital Stock of the Issuer (other than Common Shares), a day on which any securities exchange or quotation system selected by the Issuer and notified to the Agents for this purpose (the "**Selected Exchange**") on which shares of such Capital Stock (other than Common Shares) are quoted or traded is open for trading or quotation; provided, however, if no bid price is reported by the Selected Exchange in respect of such Capital Stock (other than Common Shares) for one or more Trading Days, such day or days will be disregarded in any relevant calculation and will be deemed not to have existed when ascertaining any period of consecutive Trading Days.

"**TWSE**".....means Taiwan Stock Exchange Corporation.

Certain Covenants

Negative Pledge

So long as any Bond remains outstanding, the Issuer shall not, and shall ensure that none of its Principal Subsidiaries will, create or permit to subsist any Lien on any of its or, as the case may be, such Principal Subsidiary's, property, assets or revenues, present or future, to secure for the benefit of the holders of any International Investment Securities (as defined below) (i) payment of any sum owing in respect of any such International Investment Securities, (ii) any payment under any guarantee of any such International Investment Securities or (iii) any payment under any indemnity or other like obligation relating to any such International Investment Securities, unless contemporaneously therewith effective provision is made to secure the Bonds (a) equally and ratably with such International Investment Securities with a similar Lien on the same property, assets or revenues securing such International Investment Securities for so long as such International Investment Securities are secured by such Lien or (b) with such other security, guarantee, indemnity or other arrangement as shall be approved by registered Holders holding not less than 50% of the principal amount of the outstanding Bonds.

As used herein, "**International Investment Securities**" means bonds, debentures, notes or other similar investment securities of the Issuer or any other person evidencing indebtedness with a maturity of not less than one year from the issue date thereof, or any guarantees thereof, which (i) either (A) are by their terms payable, or confer a right to receive payment, in any currency other than NT Dollars or (B) are denominated in NT Dollars and more than 50% of the aggregate principal amount thereof is initially distributed outside the ROC by or with the consent of the Issuer or any of its Principal Subsidiaries and (ii) are for the time being, or are intended to be, quoted, listed, ordinarily dealt in or traded, in each case primarily, on any stock exchange or over-the-counter or other securities market outside the ROC.

Consolidation, Amalgamation or Merger

The Issuer shall not consolidate with, merge or amalgamate into or transfer or convey all or substantially all of its properties and assets to, any Person (the consummation of any such event, a "**Merger**"), unless:

(i) the corporation formed by such Merger or the Person that acquired such properties and assets shall expressly assume, by an indenture supplemental to the Indenture, all obligations of the Issuer under the Indenture and the performance of every covenant and agreement applicable to it contained therein;

(ii) immediately after giving effect to any such Merger, no Default or Event of Default shall have occurred or be continuing or would result therefrom;

(iii) the Issuer at least 20 Business Days prior to the Merger has delivered to the Trustee a Company's Certificate stating that such Merger complies with the provisions of the Indenture relating to this matter and that all conditions precedent therein provided for or relating to such Merger have been complied with;

(iv) the corporation formed by such Merger, or the Person that acquired such properties and assets, shall expressly agree to (A) indemnify each holder of a Bond against any tax, assessment or governmental charge payable by withholding or deduction thereafter imposed on such holder solely as a consequence of such Merger with respect to the payment of principal of and other amounts on the Bonds and (B) if organized under the laws of a jurisdiction other than the ROC, to deliver a substitute undertaking to the Trustee to pay any additional amounts as may be necessary in order that the net amounts received by the holders of the Bonds, after any withholding or deduction of any such tax, assessment or other governmental charge shall equal the respective amounts of the principal of and Additional Amounts on the Bonds, which would have been receivable in respect of the Bonds in the absence of such Merger. No successor corporation or other Person shall have the right to redeem the Bonds unless the Issuer would have been entitled to redeem the Bonds pursuant to the Indenture in the absence of the Merger; and

(v) the Issuer shall as soon as practicable on or prior to the Merger, deliver to the Trustee an opinion satisfactory to the Trustee of counsel(s) of recognized standing that the condition in paragraph (i) above has been satisfied.

In the event of any such Merger, the provisions described under "—Additional Amounts" and "—Redemption for Taxation Reasons" above will be applicable to the corporation formed by such Merger or the Person acquiring such properties and assets as appropriate, and any reference to the Issuer shall be read to include such successor person.

Conversion

Conversion Right

Each Holder will have the right (the "**Conversion Right**") during the Conversion Period to convert its Bonds (being US$200,000 in principal amount or any integral multiples thereof), at the option of such converting Holder, upon delivery of an irrevocable notice (the "**Conversion Notice**") at the office of the Conversion Agent, on any Business Day at all reasonable times during normal office hours (being between 9.00 a.m. and 3.00 p.m. (London time)) at the location of the Conversion Agent to which such Conversion Notice is delivered, into Common Shares; provided, however, that the Conversion Right during any Closed Period (as defined below) shall be suspended and the Conversion Period shall not include any such Closed Period. "**Closed Period**" means (i) the periods for share registrar closure pursuant to the laws and regulations of the ROC or the TWSE rules applicable from time to time, excluding the closed period for the annual general meeting of shareholders or the extraordinary general meeting of shareholders; (ii) in the event of free distribution of shares, distribution of cash dividend or capital increase by cash, the period from the fifteenth Trading Day prior to the fifth day before the record date for the determination of the shareholders entitled to the receipt of dividends, subscription of new Common Shares due to capital increase or other benefits and bonuses to such record date; (iii) in the event of capital reduction of the Issuer, the period from the record date of any capital reduction to the day immediately preceding the date on which the Common Shares resume trading after such capital reduction; and (iv) in the event of change of par value of the Common Shares of the Issuer, the period from the business day immediately preceding the date on which the Issuer applies to the Ministry of Economic Affairs in respect of the change of par value of the Common Shares to the day immediately preceding the date on which the reissued Common Shares resume trading after such change of par value of the Common Shares. The Issuer shall procure that Holders (and the Trustee and the Agents) are given at least 7 days' but not more than 60 days' prior notice of any Closed Period in accordance with the provisions of the Indenture.

The number of Common Shares to be issued upon conversion will be determined by dividing the aggregate principal amount of all the Bonds to be converted by such Holder (translated into NT Dollars at the Fixed Exchange Rate) by the Conversion Price in effect on the Conversion Date (as defined below). Fractions of Common Shares will not be issued on conversion, and the Issuer will pay in US Dollars for any fraction of a Common Share not issued as aforesaid, net of remittance fees and processing fees, rounding to one US Dollar with US$0.50 being rounded upwards, provided that such net sum exceeds US$10.00.

The Conversion Price shall at all times be subject to Anti-dilution Adjustment (as defined below). The Issuer shall not take any action that would reduce the Conversion Price below the par value of the Common Shares (currently NT$10.0 per share), unless, under applicable law then in effect, the Bonds could be converted at such reduced Conversion Price into legally issued, fully-paid and non-assessable Common Shares.

On the Conversion Date, the Conversion Agent shall be entitled to write down and cancel the relevant Bonds subject to such exercised Conversion Right with no further liability. None of the Trustee nor any of the Agents shall be required to monitor or assist with the delivery of Common Shares or cash for any registration that may arise pursuant to an exercise of a Conversion Right.

Restrictions on Shareholdings by PRC Persons

Under current ROC laws, regulations and policies, a PRC person is not permitted to convert the Bonds or to register as the Issuer' shareholder unless, subject to the procedures and restrictions under applicable laws and regulations of the ROC, (i) it is a qualified domestic institutional investor meeting the qualifications required under the laws of the PRC and approved by the PRC government ("a QDII") who will hold less than 10% of the Issuer's issued shares after conversion of the Bonds, (ii) it otherwise obtains the prior approval of the Department of Investment Review (formerly Investment Commission) of the Ministry of Economic Affairs if all the business items are within the positive list promulgated by the ROC government from time to time and it will hold 10% or more (or other threshold required by the regulators) of the Issuer's issued shares after conversion of the Bonds, or (iii) it is permitted under the laws and regulations of the ROC in effect at the time of the application of the conversion. There are also limits on the amount remitted to the ROC for investments by QDIIs, separately and

jointly. A QDII shall register with the TWSE and obtain QDII Investment I.D. to make investments in the ROC securities market and an eligible agent shall be appointed by a QDII in the ROC to open a securities trading account and a bank account, to pay ROC taxes, remit funds, exercise shareholders' rights and perform such other functions as a QDII may designate. In addition, a custodian of a QDII must apply with the TWSE for the remittance amount of each QDII which cannot exceed US$100 million, the total investment amount of all QDIIs may not exceed US$500 million, and such QDII can only invest in the ROC securities market with the amount approved by the TWSE. Subject to compliance with the foregoing applicable laws and regulations of the ROC, a QDII may convert the Bonds and hold the Common Shares. Accordingly, the qualification criteria for a PRC person or a QDII to make investment and the investment threshold imposed by the FSC and the TWSE may cause a Bondholder who is a PRC person or a QDII to be unable to convert the Bonds and hold the Common Shares. Under current ROC laws, "**PRC person**" means (A) an individual holding a passport issued by the PRC or PRC residence registration (including an individual who previously held a PRC passport or PRC residence registration but has given up his or her PRC citizenship and converted to the citizenship of another jurisdiction for less than four years or has not stayed outside the PRC for a period of over four years, but not including a resident in a special administrative region of the PRC such as Hong Kong and Macau, if so excluded by applicable laws of the ROC), (B) any agency or instrumentality of the PRC and any corporation, partnership or other entity of any area under the effective control or jurisdiction of the PRC (but not including a special administrative region of the PRC such as Hong Kong or Macau, if so excluded by applicable laws of the ROC), or (C) any corporation, partnership or other entity organized under the laws of any other jurisdiction outside of the PRC that either (x) is directly or indirectly controlled by, or (y) has more than 30% of its capital directly or indirectly owned by, or beneficially owned by, any such person referred to in (A) or (B).

ROC Procedures for Foreign Persons Holding Common Shares

Under current ROC laws, a non-ROC converting Holder who is not a PRC person, before exercising the conversion right, is required to register with the TWSE for making investments in the ROC securities market. Such non-ROC converting Holder is also required to appoint a local agent in Taiwan which meets the qualifications that are set from time to time by the Financial Supervisory Commission to open a securities trading account with a local brokerage firm and a bank account to remit funds, pay ROC taxes, exercise shareholders' rights and perform such other functions as may be designated by such non-ROC converting Holder. In addition, such non-ROC converting Holder must also appoint a local bank approved by the FSC to act as a custodian in Taiwan to hold the securities and any cash proceeds for safekeeping, to make confirmation and settlement of trades and to report all relevant information. Furthermore, such non-ROC converting Holder, when converting the Bonds or registers as the Company's shareholder, is required to appoint an agent, referred to as a Tax Guarantor, in Taiwan which meets the qualifications that are set from time to time by the Ministry of Finance of the ROC for filing tax returns and making tax payments on their behalf. Without meeting such requirements, such non-ROC converting Holder would not be able to hold or sell or otherwise transfer Common Shares into which the Bonds may be converted on the TWSE or otherwise. We cannot assure that such non-ROC converting Holder will be able to appoint and obtain approval for a tax guarantor in a timely manner, if at all. For more details, see "Appendix B — Foreign Investment and Exchange Controls in the ROC" in this Offering Circular.

Delivery of Common Shares upon Conversion

Upon a converting Holder exercising its Conversion Right, the Issuer shall as promptly as practicable issue Common Shares upon conversion of Bonds in accordance with the ROC law.

The Issuer's delivery to the Bondholder of the number of Common Shares into which the Bonds are convertible, together with any cash payment for any fraction of Common Shares, will be deemed to satisfy the Issuer's obligation to pay the principal of and other amounts on such Bonds.

See "Risk Factors — Risks Relating to Ownership of the Bonds and the Common Shares — A liquid market for the Bonds may not develop, and the market for the Common Shares may not be liquid."

Procedures; Conversion Notice; Taxes and Duties

In order to effect a conversion, each Holder must complete, execute and deliver at such Holder's expense during the Conversion Period to the office of the Conversion Agent on any Business Day at all reasonable times during normal office hours (being between 9.00 a.m. and 3.00 p.m. (London time)) prior to the close of business at the location of the Conversion Agent, a Conversion Notice, in the form then obtainable from the office of the Conversion Agent, together, in the case of Certificated Bonds, with the certificate representing the Bonds to be

converted, and any certificates and other documents as may be required under applicable law and any expenses or other payments required to be paid by the Holder pursuant to the terms of the Indenture. The Conversion Notice shall contain, inter alia, an appointment of a local agent by such converting Holder and the name and address of such local agent and information relating to such Holder's Foreign Investor Investment I.D. or QDII Investment I.D. (if required) and TDCC account number. Holders of the Bonds who are unable to make the representations set forth in the Conversion Notice will not be able to receive Common Shares issuable upon conversion of the Bonds. The Conversion Agent will deem any Conversion Notice that does not include a TDCC account number or the Foreign Investor Investment I.D. or QDII Investment I.D. (if one is required) incomplete or incorrect and reject such Conversion Notice.

Any Conversion Notice received after the normal office hours at the office of the Conversion Agent on any Business Day (i.e. after 3:00 pm (London time)), will be deemed received by the Conversion Agent on the next Business Day. Upon receipt of such Conversion Notices (and Bonds duly surrendered), the Conversion Agent shall have to process and transmit such Conversion Notices to the Issuer as soon as reasonably practicable, in any event no later than the Conversion Date.

A Conversion Notice once so delivered may not be withdrawn without the consent in writing of the Issuer. Holders who deposit a Conversion Notice during a Closed Period will not be permitted to convert their Bonds until the first Business Day which is a Trading Day following the last day of that Closed Period which (if all other conditions to conversion have been fulfilled) will be the Conversion Date for such Bonds. If the Conversion Date in respect of the exercise of any Conversion Right is postponed as a result of the foregoing provision to a date that falls after the expiry of the Conversion Period, such Conversion Date shall be deemed to be the final day of such Conversion Period. Such Holders will not be registered as holders until the Conversion Date. The price at which such Bonds will be converted will be the Conversion Price in effect on the Conversion Date.

As conditions precedent to conversion, the Holder must confirm that all stamp, issue, registration and similar taxes and duties (if any) arising on conversion in the country in which the Bond is deposited for conversion, or payable in any jurisdiction consequent upon the issue and delivery of Common Shares or any other property or cash upon conversion to or to the order of a person other than the converting Bondholder have been paid to the relevant authority. Except as aforesaid, the Issuer will pay the expenses arising in the ROC on the issue of Common Shares on conversion of Bonds and all charges of the Conversion Agent in connection therewith as provided in the Indenture. The date on which any Bond and the Conversion Notice (in duplicate) relating thereto, together with any certificates and other documents as may be required under applicable law and in a form to the satisfaction of the Conversion Agent, are duly deposited and the relevant Bonds duly surrendered with the Conversion Agent and the payments, if any, required to be paid by the Bondholder are made is hereinafter referred to as the "**Deposit Date**". The "**Conversion Date**" applicable to a Bond shall mean the next Business Day following the Deposit Date (or the first Business Day which is a Trading Day following the last day of a Closed Period if the related Conversion Notice was deposited during such Closed Period), which day must be a Trading Day and must fall within the Conversion Period. The Holder must therefore satisfy all such conditions on or before the Business Day prior to the end of the Conversion Period.

With effect from the opening of business in the ROC on the Conversion Date, the Issuer will deem the person designated in the Conversion Notice as the person in whose name the Common Shares to be issued upon such conversion are to be registered as the holder of record of the number of Common Shares (disregarding any retroactive adjustment of the Conversion Price referred to below prior to the time such retroactive adjustment shall have become effective), and at such time the rights of such converting Holder as a Holder with respect to the Bonds deposited for conversion shall cease.

On the Conversion Date, the Issuer will register the converting Holder (or its designee) in the Issuer's register of shareholders as the owner of the number of Common Shares to be issued upon conversion of such Bonds and, subject to any applicable limitations then imposed by ROC laws and regulations, according to the request made in the relevant Conversion Notice, procure that, as soon as practicable, and in any event within five Trading Days from the Conversion Date (subject to changes to ROC laws and regulations) (or where the converting Holder has not appointed a local agent, after such local agent is appointed), there be delivered to the local agent appointed by the converting Holder through book-entry system of Taiwan Depository & Clearing Corporation ("**TDCC**"), registered in the name specified for that purpose in the relevant Conversion Notice, together with any other property or cash required to be delivered upon conversion and such assignments and other documents (if any) as may be required by law to effect the delivery thereof. No physical certificates will be delivered to the converting Holder (or its designee) upon conversion.

Adjustments to the Conversion Price

Anti-dilution. The Conversion Price will be subject to adjustment ("**Anti-dilution Adjustment**") in the circumstances described below:

(i) If the Issuer shall issue Common Shares as a dividend in Common Shares or make a free distribution or bonus issue of Common Shares which is treated as a capitalization issue for accounting purposes (including but not limited to capitalization of retained earnings or capital reserves), but excluding any Common Shares issued pursuant to (a) any employee stock bonus or (b) any restricted share units issued to employees, then adjustment shall be made, in accordance with the following formula, to the Conversion Price in effect on the record date for the determination of the shareholders entitled to receive such dividend and/or distribution:

NCP = OCP x [N / (N + n)]

where:

NCP = the Conversion Price after such adjustment.

OCP = the Conversion Price before such adjustment.

N = the number of Common Shares outstanding at the time of issuance of such dividend and/or distribution (or at the close of business in Taipei on such record date, as the case may be), which shall exclude the treasury shares that have not been cancelled or transferred and any restricted stock awards redeemed or repurchased by the Issuer but have not been cancelled.

n = the number of Common Shares to be distributed to the shareholders as a dividend and/or distribution.

(ii) If the Issuer shall (a) subdivide its outstanding Common Shares, (b) combine its outstanding Common Shares into a smaller number of Common Shares, or (c) re-classify any of its Common Shares into other securities of the Issuer, then the Conversion Price shall be appropriately adjusted so that the Holder, in respect of the Conversion Date which occurs after the coming into effect of the adjustment described in this subsection (ii), shall be entitled to receive the number of Common Shares and/or other securities of the Issuer which it would have held or have been entitled to receive after the happening of any of the events described above had such Bond been converted immediately prior to the happening of such event (or, if the Issuer has fixed a prior record date for the determination of the shareholders entitled to receive any such securities issued upon any such subdivision, combination or reclassification, immediately prior to such record date), but without prejudice to the effect of any other adjustment to the Conversion Price made with effect from the date of the happening of such event (or such record date) or any time thereafter.

(iii) If the Issuer shall grant, issue or offer to the holders of Common Shares rights entitling them to subscribe for or purchase Common Shares, which expression shall exclude those Common Shares offered to employees (a) as employee stock bonus or (b) pursuant to restricted share units, at a consideration per Common Share receivable by the Issuer which is fixed:

(A) on or prior to the record date mentioned below and is less than the Market Value per Common Share on such record date; or

(B) after the record date mentioned below and is less than the Market Value per Common Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in the case of (A) above) on the record date for the determination of the shareholders entitled to receive such rights or (in the case of (B) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

NCP = OCP x [(N + v) / (N + n)]

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

N = the number of Common Shares outstanding at the close of business in the ROC (in the case of (A) above) on such record date or (in the case of (B) above) on the date the Issuer fixes the said consideration, which shall exclude the treasury shares that have not been cancelled or transferred and any restricted stock awards redeemed or repurchased by the Issuer but have not been cancelled.

n = the number of Common Shares to be issued in connection with such rights issue at the said consideration.

v = the number of Common Shares which the aggregate consideration receivable by the Issuer would purchase at such Market Value specified in (A) or, as the case may be, (B) above.

Subject as provided below, such adjustment shall become effective immediately after the latest date for the submission of applications of such Common Shares by shareholders entitled to the same pursuant to such rights or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Common Shares of rights entitling them to subscribe for or purchase Common Shares, any Common Shares which are not subscribed for or purchased by the persons entitled thereto are purchased by other persons after the latest date for the submission of applications for such Common Shares, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the Issuer receives the consideration in full, from such other persons but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Common Shares of rights entitling them to subscribe for or purchase Common Shares, any such Common Shares which are not subscribed for or purchased by such other persons as referred to above or by the persons entitled thereto (or persons to whom shareholders have transferred such rights) who have submitted applications for such Common Shares as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

(iv) If the Issuer shall grant, issue or offer to the holders of Common Shares warrants entitling them to subscribe for or purchase Common Shares at a consideration per Common Share receivable by the Issuer which is fixed:

(A) on or prior to the record date for the determination of the shareholders entitled to receive such warrants and is less than the Market Value per Common Share at such record date; or

(B) after the record date mentioned above and is less than the Market Value per Common Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (A) above) on the record date for the determination of the shareholders entitled to receive such warrants or (in a case within (B) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

NCP = OCP x [(N + v) / (N + n)]

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

N = the number of Common Shares outstanding at the close of business in the ROC (in the case of (A) above) on such record date or (in the case of (B) above) on the date the Issuer fixes the said consideration, which shall exclude the treasury shares that have not been cancelled or transferred and any

restricted stock awards redeemed or repurchased by the Issuer but have not been cancelled.

n = the number of Common Shares initially to be issued upon exercise of such warrants at the said consideration where no applications by shareholders entitled to such warrants are required. Where applications by shareholders entitled to such warrants are required, n equals the number of such Common Shares that equals (A) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, and (B) the number of warrants for which applications are received from shareholders as referred to below except to the extent already adjusted for under (A).

v = the number of Common Shares which the aggregate consideration receivable by the Issuer would purchase at such Market Value per Common Share specified in (A) or, as the case may be, (B) above.

Subject as provided below, such adjustment shall become effective, where applications by shareholders entitled to the same are required as aforesaid, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Common Shares of warrants entitling them to subscribe for or purchase Common Shares where applications by shareholders entitled to the same are required, any warrants which are not subscribed for or purchased by the shareholders entitled thereto are purchased by other persons after the latest date for the submission of applications for such warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the Issuer receives the consideration in full, from such other persons but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Common Shares of warrants entitling them to subscribe for or purchase Common Shares where applications by shareholders entitled to the same are required, any such warrants which are not subscribed for or purchased by such other persons as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred the right to purchase such warrants) who have submitted applications for such warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

(v) In case the Issuer or any Subsidiary of the Issuer shall distribute to all holders of Common Shares, any shares of Capital Stock of the Issuer other than Common Shares, evidences of indebtedness or other assets (other than cash distributions described below) of the Issuer, or rights or warrants to subscribe for or purchase any Capital Stock of the Issuer (other than Common Shares) at less than the Market Value of such indebtedness, assets or Capital Stock, determined as of the date on which the Board of Directors of the Issuer approves such distribution, then in each such case the Conversion Price shall be adjusted in accordance with the following formula:

NCP = OCP x [(M - fmv) / M]

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

M = the Market Value per Common Share on the record date for the determination of shareholders entitled to receive such distribution.

fmv = the Fair Market Value (as determined by an independent financial institution selected by the Issuer, at the expense of the Issuer and promptly notified in writing to the Trustee and the Agents) of the portion of Capital Stock other than Common Shares, evidences of indebtedness or other assets so distributed applicable to one Common Share less any consideration payable for the same by the relevant Shareholder.

(vi) In case the Issuer shall, by dividend or otherwise, distribute to all holders of Common Shares cash then, in such case, the Conversion Price shall be adjusted downward, not upward (with such adjustment to be effective on the record date for the determination of the shareholders entitled to receive such distribution) in accordance with the following formula and rounded to the nearest cent of a NT Dollar;

NCP = OCP x [1 - (C/M)]

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

C = the amount of cash so distributed applicable to one Common Share.

M = the Market Value per Common Share on the record date for the determination of shareholders entitled to receive such distribution.

If such dividend or distribution is not so paid or made, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such dividend or distribution had not been approved.

(vii) (A) If the Issuer shall reduce its share capital (other than by means of (a) canceling any Common Shares repurchased as treasury shares or (b) redeeming, repurchasing or canceling any restricted share units issued to employees) and does not distribute any cash in connection with such share capital reduction, then the Conversion Price in effect on the record date of such capital reduction shall be adjusted in accordance with the following formula:

NCP = OCP x (N/n)

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

N = the number of Common Shares outstanding immediately prior to such capital reduction.

n = the number of Common Shares outstanding immediately after such capital reduction.

For the avoidance of doubt, no adjustment to the Conversion Price under this subsection will be required if the Issuer (a) cancels any Common Shares repurchased as treasury shares or (b) redeems, repurchases or cancels any restricted share units issued to employees.

(B) If the Issuer shall reduce its share capital (other than by means of (a) canceling any Common Shares repurchased as treasury shares or (b) redeeming, repurchasing or canceling any restricted share units issued to employees) and shall distribute cash in connection with such share capital reduction, the Conversion Price then in effect on the record date of such capital reduction shall be adjusted in accordance with the following formula:

NCP = OCP x (1 – C/c) x N/n

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

N and n have the meanings ascribed thereto in clause (A) of this subsection above.

C = the amount of cash distributed per Common Share.

c = the Closing Price on the last Trading Day prior to such capital reduction.

For the avoidance of doubt, no adjustment to the Conversion Price under this subsection will be required if the Issuer (a) cancels any Common Shares repurchased as treasury shares or (b) redeems, repurchases or cancels any restricted share units issued to employees.

(C) Effective date of adjustment: Such adjustment shall become effective immediately on the record date of such capital reduction.

(viii) In case a tender or exchange offer made by the Issuer or any Subsidiary of the Issuer for all or any portion of the Common Shares shall expire and such tender or exchange offer shall involve the payment by the Issuer or such Subsidiary of consideration per Common Share having a Fair Market Value (as determined by an independent financial institution selected by the Issuer, at the expense of the Issuer and promptly notified in writing to the Trustee and the Agents) at the last time (the "**Expiration Date**") tenders or exchanges could have been made pursuant to such tender or exchange offer (as it shall have been amended) that exceeds the Market Value per Common Share, as of the Expiration Date, the Conversion Price shall be adjusted in accordance with the following formula:

NCP = OCP x [(N x M) / (a + [(N - n) x M])]

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

N = the number of Common Shares outstanding (including any tendered or exchanged Common Shares) on the Expiration Date.

M = Market Value per Common Share as of the Expiration Date.

a = the Fair Market Value of the aggregate consideration payable to the holders of Common Shares based on the acceptance (up to a maximum specified in the terms of the tender or exchange offer) of all Common Shares validly tendered or exchanged and not withdrawn as of the Expiration Date (the Common Shares deemed so accepted up to any such maximum, being referred to as the "**Purchased Shares**").

n = the number of Purchased Shares.

such reduction to become retroactively effective immediately prior to the opening of business on the day following the Expiration Date.

If the Issuer is obligated to purchase Common Shares pursuant to any such tender or exchange offer, but the Issuer is permanently prevented by applicable law from effecting any such purchase or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such tender or exchange offer had not been made.

(ix) In case the Issuer issues Common Shares (other than (A) Common Shares issued upon conversion or exchange of any convertible or exchangeable securities (including the Bonds) issued by the Issuer; (B) Common Shares issued upon exercise of any rights or warrants granted, offered or issued by the Issuer; (C) Common Shares issued as stock-based employee compensation (including Common Shares issued (a) as stock-based employee bonus or (b) pursuant to restricted share units issued to employees); or (D) Common Shares issued in any of the circumstances described in subsections (i) and (ii)) or the Issuer or any Subsidiary of the Issuer shall issue any securities initially convertible into or exchangeable for Common Shares at a price per Common Share less than the Market Value per Common Share determined as of the date on which the Board of Directors or shareholders' meeting of the Issuer or such Subsidiary, if applicable, approves such issuance, the Conversion Price in effect immediately prior to the date of issue of such Common Shares or convertible or exchangeable securities shall be adjusted and become effective in accordance with the following formula:

NCP = OCP x [(N + v) / (N + n)]

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

N = the number of Common Shares outstanding on the date of issuance of such Common Shares or initially convertible or exchangeable securities, immediately prior to such issuance, which shall exclude the treasury shares that have not been cancelled or transferred and any restricted stock awards redeemed or repurchased by the Issuer but have not been cancelled.

n = the number of Common Shares issued or issuable upon conversion or exchange of such initially convertible or exchangeable securities.

v = the number of Common Shares which the aggregate consideration issue price of the total amount of Common Shares would purchase at Market Value; in the case of convertible or exchangeable securities, the number of Common Shares which the conversion price or exchange price of the newly issued securities multiplied by "n" would purchase at Market Value; provided that if the new Common Shares are issued by the Issuer to exchange for the total outstanding shares of an entity to be consolidated with, merged or amalgamated into the Issuer, such "aggregate consideration issue price of the total amount of Common Shares" shall mean the aggregate amount of the fair value per common share of such entity multiplied by "n" and further multiplied by the applicable share swap ratio under such consolidation, merger or amalgamation. The fair value per common share of such entity shall be (x) in the case of a listed company, either (i) the closing price of its common share on the date on which the share swap ratio was approved by the shareholder's meeting or board of directors (as applicable) or (ii) the simple average of the closing prices of its common shares on either one, three and five business days immediately preceding the date on which the share swap ratio is approved by the shareholders' meeting or board of directors (as applicable); or (y) in the case of a private company, either (i) the fair value falling into the fair value of such entity as determined by an independent expert in its fairness opinion or (ii) the net value per common share of such entity calculated based on the latest audited or reviewed financial statements, in each case, times the share swap ratio.

If the conversion or exchange right of any such convertible or exchangeable securities expires prior to exercise, the Conversion Price shall be readjusted to reflect the actual securities converted or exchanged.

(x) In case the Issuer reissues the Common Shares to change the par value of the Common Shares, then the Conversion Price shall be adjusted in accordance with the following formula:

NCP = OCP x (N / n)

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

N = the number of Common Shares outstanding immediately prior to such change of par value of Common Shares.

n = the number of Common Shares outstanding immediately after such change of par value of Common Shares.

Such adjustment shall become effective immediately on the record date for exchanging the Common Share with new par value for the Common Shares with original par value.

(xi) If the Issuer shall declare a dividend in, or make a free distribution or bonus issue of, Common Shares which dividend, issue or distribution is to be paid or made to shareholders as of a record date which is also:

(A) the record date for the issue of any rights or warrants which requires an adjustment of the Conversion Price pursuant to subsections (iii) or (iv) above;

(B) the day immediately before the date of issue of any securities convertible into or exchangeable for Common Shares which requires an adjustment of the Conversion Price pursuant to subsection (ix) above;

(C) the day immediately before the date of a distribution which requires an adjustment of the Conversion Price pursuant to subsection (v) above;

(D) the record date for distribution of cash which requires an adjustment of the Conversion Price pursuant to subsection (vi) above;

(E) the record date of capital reduction which requires an adjustment of the Conversion Price pursuant to subsection (vii) above;

(F) the record date for exchanging the Common Share with new par value for the Common Shares with original par value which requires an adjustment of the Conversion Price pursuant to subsection (x) above;

(G) the Expiration Date with respect to any tender or exchange offer which requires an adjustment to the Conversion Price pursuant to subsection (viii) above; or

(H) the relevant date for an analogous event or circumstance which requires an adjustment to the Conversion Price;

then (except where such dividend, bonus issue or free distribution gives rise to a retroactive adjustment of the Conversion Price under subsections (i) or (ii) above) no adjustment of the Conversion Price in respect of such dividend, bonus issue or free distribution shall be made under the relevant subsections, but in lieu thereof an adjustment shall be made (A) under subsections (iii), (ix) or (x) above, as applicable, by including in the denominator of the fraction described therein the aggregate number of Common Shares to be issued pursuant to such dividend, bonus issue or free distribution and (B) under subsections (v), (vi), (vii) and (viii) above, as applicable, by multiplying the Conversion Price after the adjustment under such subsections by a fraction the numerator of which is the number of Common Shares outstanding on the record date and the denominator of which is the sum of such number of Common Shares outstanding and the aggregate number of Common Shares to be issued pursuant to such dividends, bonus issue or free distribution.

With the provisions in this subsection unaffected, where more than one event which gives rise to an adjustment to the Conversion Price occurs within such a short period of time that, in the opinion of the Issuer, a modification to the operation of the adjustment provisions is required in order to yield the intended result, such modification shall be made, with the assistance of an independent financial institution selected by the Issuer, at the expense of the Issuer and promptly notified in writing to the Trustee, as may, in the opinion of the Issuer, be appropriate to yield such intended result.

(xii) In case of a Merger of the Issuer, each Bond then outstanding shall, without the consent of any Bondholders, become convertible only into the kind and amount of securities, cash and other property receivable upon such Merger by a holder of the number of Common Shares, into which such Bonds could have been converted immediately prior to such Merger. The corporation formed by such Merger or the Person that acquired such properties and assets shall enter into a supplemental indenture with the Trustee to provide for the continuation of the Conversion Rights to continue after such Merger and such supplemental indenture shall provide for adjustments to the Conversion Price which shall be as nearly equivalent as practicable to the adjustments provided in the Indenture provided that where there has been a Change of Control pursuant to such a Merger, a Holder may exercise its Change of Control Put Right as set forth in "— Repurchase in the Event of Change of Control".

If any event or circumstance analogous to the events and circumstances described in subsections (i) through (x) occur, the Conversion Price shall be adjusted as set forth in the analogous subsection in the Indenture.

For the avoidance of doubt, no adjustment to the Conversion Price will be required if an equity placement is conducted by the Issuer concurrently with the Offering of the Bonds.

Provisions Applicable to All Conversions and Adjustments of Conversion Price

No adjustment of the Conversion Price will be required to be made until cumulative adjustments, required to be made in the circumstances set forth above, amount to 1.0% or more of the Conversion Price as last adjusted. However, any adjustment, required to be made in the circumstances set forth above, which is not made because of failure to meet the 1.0% threshold, will be carried forward. Except as otherwise described below, the Conversion Price may at any time be reduced by the Issuer.

The Issuer will not take any action which would reduce the Conversion Price per Common Share below the par value of the Common Shares (currently NT$10 per share), unless, under applicable law then in effect, the Bonds could be converted at such reduced Conversion Price into legally issued, fully-paid and non-assessable Common Shares.

All calculations relating to conversion, including adjustments of the Conversion Price, will be made to the lower 0.001 of a share of securities or other property or nearest cent, as the case may be.

Whenever the Conversion Price is adjusted, the Issuer will promptly file with the Trustee and the Agents a Company Certificate setting forth the date on which such adjustment became effective, the Conversion Price after such adjustment and prior to such adjustment and setting forth a brief statement of the facts requiring such adjustment. Promptly after receipt of such certificate, the Issuer will prepare a notice of such adjustment of the Conversion Price setting forth the adjusted Conversion Price, the Conversion Price prior to such adjustment, a brief statement of the facts requiring such adjustment and the date on which such adjustment became effective and shall give such notice of such adjustment of the Conversion Price to each Holder of a Bond.

Events of Default; **Notice and Waiver**

The Indenture provides that, if one or more of the following events or conditions (each an "**Event of Default**") shall have occurred, either (i) the Trustee at its sole and absolute discretion may, or (ii) the Holders of not less than 25% in aggregate principal amount of the Bonds then outstanding (by notice in writing to the Issuer and to the Trustee) may, or (iii) the Trustee at the written direction of Holders of not less than 25% in aggregate principal amount of the Bonds then outstanding (subject to being indemnified and/or secured and/or prefunded by such Holders to its satisfaction) shall, declare the Bonds to be immediately due and payable at the Settlement Equivalent of the applicable Early Redemption Amount, Additional Amounts, if any, and other amounts. In the case of certain events of bankruptcy or insolvency, the Bonds shall automatically become and be immediately due and payable at the Settlement Equivalent of the applicable Early Redemption Amount, Additional Amounts, if any, and other amounts. Under certain circumstances, the Holders of a majority in aggregate principal amount of the outstanding Bonds may rescind any such acceleration with respect to the Bonds and its consequences.

Under the Indenture, Events of Default include:

(i) default in payment of the principal of or premium (if any) on any Bond, as and when the same becomes due and payable, and continuance of such default for three Business Days;

(ii) default in the payment of Additional Amounts upon any Bond as and when the same becomes due and payable, and continuance of such default for five Business Days;

(iii) failure by the Issuer to deliver the Common Shares as and when such Common Shares are required to be delivered following conversion of a Bond and which default is not remedied within five Business Days;

(iv) failure on the part of the Issuer duly to observe or perform any of the covenants or agreements provided in the Bonds or the Indenture (other than those referred to in clauses (i), (ii) or (iii) above) which failure cannot be remedied or, if such failure is capable of being remedied, is not remedied within 30 days after the date on which written notice thereof requiring the Issuer to remedy the same shall have been given to the Issuer by the Trustee acting on the written instructions of the Holders of at least 25% in aggregate principal amount of the Bonds then outstanding;

(v) there shall have been entered against the Issuer or any of its Principal Subsidiaries a final judgment, decree or order by a court of competent jurisdiction for the payment of money in excess of US$50 million with respect to the Issuer or any of its Principal Subsidiaries (or its equivalent in any other currency or currencies) and 60 days shall have passed since the entry of the order without it being bonded, satisfied, discharged or stayed;

(vi) (A) the Issuer or any of its Principal Subsidiaries shall fail to make any payment with respect to present or future Debt (other than the Bonds) in an aggregate principal amount in excess of US$50 million with respect to the Issuer or any of its Principal Subsidiaries (or its equivalent in any other currency or currencies) when and as the same shall become due and payable, if such failure shall continue for more than the period of grace, if any, originally applicable thereto or (B) the Issuer or any of its Principal Subsidiaries shall fail to perform or observe any covenant or agreement to be performed or observed by the Issuer or any of its Principal Subsidiaries contained in any agreement or instrument evidencing Debt (other than the Bonds) in an aggregate principal amount in excess of US$50 million with respect to the Issuer or any of its Principal Subsidiaries (or its equivalent in any other currency or currencies) and such failure results in the acceleration of the maturity of any amount owing thereunder;

(vii) a decree or order by a court having jurisdiction shall have been entered under any applicable bankruptcy, insolvency, reorganization or other similar law (A) adjudging the Issuer or any of its Principal Subsidiaries as bankrupt or insolvent, or approving as properly filed a petition seeking reorganization of the Issuer or any of its Principal Subsidiaries or (B) appointing a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Issuer or any of its Principal Subsidiaries or of its property or (C) ordering the winding up or liquidation of the affairs of the Issuer or any of its Principal Subsidiaries and in any such case such decree or order shall have continued undischarged and unstayed for a period of 60 days;

(viii) the Issuer or any of its Principal Subsidiaries shall voluntarily commence proceedings to be adjudicated a bankrupt or insolvent, or shall consent to the filing of a bankruptcy or insolvency proceeding against it, or shall file a petition or answer or consent seeking reorganization under any applicable bankruptcy, insolvency, reorganization or other similar law or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of it or its property, or shall make an assignment for the benefit of creditors;

(ix) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or any material part of the property, assets or revenues of the Issuer or any of its Principal Subsidiaries and is not stayed or discharged within 60 days;

(x) any step is taken by any person with a view to the expropriation or nationalization of all or a material part of the assets of the Issuer or any of its Principal Subsidiaries;

(xi) any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorization, exemption, filing, license, order, recording or registration) at any time required to be taken, fulfilled or done in order (a) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under the Bonds and the Indenture, (b) to ensure that those obligations are legally binding and enforceable, and (c) to make the Bonds and the Indenture admissible in evidence in the courts of the ROC is not taken, fulfilled or done and, in the case of paragraph (c), if capable of being remedied, is not remedied within 30 days after the date of the Trustee's notice;

(xii) it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds or the Indenture; or

(xiii) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of paragraphs (i) to (xii) (both inclusive).

If an Event of Default shall have occurred and be continuing, interest shall accrue on the overdue sum at the rate of 2% per annum from the due date and ending on the date on which payment is made to the Holders in respect thereof (both dates inclusive). Such default interest shall accrue on the basis of the actual number of days elapsed and a 360-day year consisting of 12 months of 30 days each.

The Trustee shall, within 30 days after the occurrence of any Default or Event of Default or, if later, within 15 days of receipt of written notice of any Default or Event of Default, give Holders notice of all Defaults or Events of Default, unless such Defaults or Events of Default shall have been cured or waived and the Trustee shall have been notified so in writing before the giving of such notice.

The Holders of a majority in aggregate principal amount of the outstanding Bonds may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee; provided that the Trustee may refuse to follow any direction that conflicts or would conflict with any law or the Indenture or is unduly prejudicial to the rights of the other Bondholders (it being understood that the Trustee shall have no duty to ascertain whether or not such actions or forbearances are unduly prejudicial to such Holders) or would involve the Trustee in personal liability. The Trustee may refuse to perform any duty, exercise any right or power, expend or risk its own funds or otherwise incur any financial liability, unless it receives indemnity, pre-funding and/or security satisfactory to it against any loss, liability or expense. For the avoidance of doubt, for so long as the Bonds are represented by one or more Global Bond and such Global Bond are registered in the name of the Common Depository or its nominee or held through Euroclear or Clearstream, the Trustee may treat the beneficial owner(s) of the Global Bond as the "Holder" of such principal amount of the Bonds so held by such beneficial owner(s) (as shown in the records of Euroclear or Clearstream at the relevant time) for purposes of the provision of directions or instructions to the Trustee. No Holder will have the right to pursue any remedy with respect to the Indenture or the Bonds, unless:

(i) such Holder shall have previously given the Trustee written notice of a continuing Event of Default;

(ii) the Holders of at least 25% in aggregate principal amount of the outstanding Bonds shall have made a written request to the Trustee to pursue such remedy;

(iii) such Holder or Holders shall have offered to the Trustee security and/or indemnity and/or prefunding against any loss, liability or expense satisfactory to it;

(iv) the Trustee shall have failed to comply with the request within 60 days after receipt of such notice, request and provision of security and/or indemnity and/or prefunding; and

(v) the Holders of a majority in aggregate principal amount of the outstanding Bonds shall not have given the Trustee a direction inconsistent with such request within 60 days after receipt of such request.

The right of any Holder (i) to receive payment of the principal of the Bonds, Additional Amounts, the Delisting Put Price upon exercise of the Delisting Put Right or the Change of Control Put Price upon exercise of the Change of Control Put Right, or to receive Common Shares on or after any Redemption Date, Purchase Date or Conversion Date, as the case may be, (ii) to convert its Bonds or (iii) to bring suit for the enforcement of any such right, shall not be materially impaired or materially adversely affected without such Holder's consent.

The Holders of a majority in aggregate principal amount of Bonds at the time outstanding may waive any existing Default and its consequences, except (i) any default in any payment on the Bonds, (ii) any default with respect to the Conversion Rights of Holders or (iii) any default with respect to certain covenants or provisions in the Indenture which may not be modified without the consent of the Holder as described in "— Meeting of Bondholders; Modification and Waiver" below. When a Default is waived, it is deemed cured and shall cease to exist, but no such waiver shall extend to any subsequent or other Default or impair any consequent right.

The Trustee and the Agents shall not be required to take any steps to ascertain whether a Default or an Event of Default or any event which could lead to the occurrence of a Default or an Event of Default has occurred and will not be responsible to Holders or any other person for any loss arising from any failure by it to do so. The Trustee or the Agents shall be entitled to assume that no such event has occurred and that the Issuer is performing all its obligations under the Indenture and the Bonds until they have received written notice to the contrary from the Issuer. The Trustee and the Agents are entitled to rely conclusively on any opinion of counsel or Company's Certificate regarding whether a Default or an Event of Default has occurred.

The Issuer will be required to furnish to the Trustee annually, and within 14 days at the request of the Trustee, a Company's Certificate concerning the performance and observance of its obligations under the Bonds or the Indenture. In addition, the Issuer is required to file promptly with the Trustee written notice of the

occurrence of any Default or Event of Default or within 14 days following the Trustee's request, a Company's Certificate, specifying each such default and the nature and status thereof.

Prescription

Claims in respect of payment of the principal of or other amounts on the Bonds will be prescribed unless made within a period of six years from the relevant due date of payment in respect thereof.

Under ROC laws, claims in respect of the payment of (a) principal and (b) early redemption premium and default interest would become unenforceable after 15 years and 5 years, respectively from the relevant due date of payment in respect thereof.

Meeting of Bondholders; **Modification and Waiver**

The Indenture contains provisions for convening meetings (including by way of teleconference or videoconference call) of the Holders to consider any matter affecting their interests, including the approval of certain amendments or modifications of the Bonds or the provisions of the Indenture upon either the written consent of the Holders of a majority in aggregate principal amount of the outstanding Bonds or the approval at a meeting of the Holders duly called by persons entitled to vote a majority in principal amount of the outstanding Bonds. The quorum at any such meeting shall be two or more persons entitled to vote a majority in principal amount of the outstanding Bonds.

Modifications and amendments of the Indenture or the Bonds may be made by the Issuer and the Trustee with the written consent of the Holders of not less than a majority in aggregate principal amount of the outstanding Bonds; provided that no such modification or amendment may, without the consent of the Holders of not less than 75% in aggregate principal amount of the outstanding Bonds:

(i) change the Maturity Date of the principal of any Bond;

(ii) [Reserved];

(iii) reduce the principal of or other amounts on any Bond or Settlement Equivalent payable in respect of the Bonds, or change the method of calculation of the Settlement Equivalent;

(iv) increase the then current Conversion Price (except as required by the anti-dilution provisions of the Indenture);

(v) change the place or currency of payment of the principal of or other amounts on any Bond or the method of calculating any such payment;

(vi) impair the right to institute suit for the enforcement of any payment on or after the Maturity Date (or, in the case of a redemption, on or after the Redemption Date) of any Bond;

(vii) alter the obligations of the Issuer under "— Certain Covenants — Negative Pledge", "— Certain Covenants — Consolidation, Amalgamation or Merger" or "— Additional Amounts" above;

(viii) materially adversely affect the Conversion Right, the Delisting Put Right or the Change of Control Put Right;

(ix) modify the obligations of the Issuer to maintain an office or agent having offices in an European Union member state;

(x) reduce the above-stated percentage of outstanding Bonds the consent of whose Holders is necessary to modify or amend the Indenture;

(xi) reduce the percentage or aggregate principal amount of outstanding Bonds the consent of whose Holders is necessary for waiver of compliance with certain provisions of the Indenture or for waiver of certain Defaults;

(xii) modify any of the percentage voting and quorum provisions described under "—Meeting of Bondholders; Modification and Waiver"; or

(xiii) release the Issuer from any obligation under the Indenture other than in accordance with the provisions of the Indenture, or amend or modify any provision relating to such release in a manner that materially adversely affects the rights of the Holders.

Neither the Issuer nor any of its Subsidiaries will, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise to any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Bonds, unless such consideration is offered to be paid or agreed to be paid to all Holders that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or amendment.

Without the consent of any Holder, the Issuer together with the Trustee may amend the Indenture to:

(i) cure any ambiguity, manifest errors, defect or inconsistency in the Indenture or the Bonds;

(ii) provide for the assumption of the Issuer's obligations under the Bonds and the Indenture by the surviving Person in a Merger effected in accordance with the provisions of the Indenture described under "—Certain Covenants — Consolidation, Amalgamation or Merger" above;

(iii) make any other change that does not materially adversely affect the rights of any Holder;

(iv) make any change necessary to comply with applicable ROC laws and regulations;

(v) add to the covenants or obligations of the Issuer under the Indenture or decrease the Conversion Price at the discretion of the Issuer or surrender any right, power or option conferred by the Indenture on the Issuer; or

(vi) to effect any changes to the Indenture in a manner necessary to comply with the procedures of Euroclear or Clearstream or any applicable clearing system.

Notices

Whenever the Indenture provides for notice to be given to Holders, such notice will be validly given (except as otherwise expressly provided) if in writing and delivered to each Holder entitled thereto, at such Holder's address as it appears on the Bond register. Any such notice shall be deemed to have been given on the seventh day after being so delivered. Notwithstanding the foregoing, so long as the Bonds are represented by the Global Bonds and the Global Bonds are held on behalf of Euroclear and Clearstream, notice to Holders may be given by delivery of the relevant notice to Euroclear and Clearstream or their successor clearing systems for communication by them to entitled accountholders in substitution for notification as required by the foregoing sentence.

Concerning the Trustee

Citicorp International Limited has been initially appointed as Trustee under the Indenture with regard to the Bonds, and Citibank, N.A., London Branch has been appointed as Paying Agent, as Conversion Agent, as Transfer Agent and as Registrar with regard to the Bonds. The Indenture provides that, prior to the occurrence of an Event of Default, the Trustee will not be liable except for the performance of such duties as are specifically set forth in such Indenture and no implied covenant, duty or obligation shall be read into the Indenture, the Bonds or any documents to which the Trustee is a party against the Trustee. If an Event of Default has occurred and is continuing, the Trustee will be obligated to use the same degree of care and skill as a prudent person would exercise under the circumstances in the conduct of such person's own affairs. The Trustee will not be responsible for any loss, liability, cost, claim, actions, demand, expense or inconvenience which may result from their exercise or non-exercise of any rights or powers conferred under the Indenture for the benefit of the Holders. Whenever in the Indenture, the Bonds or by law, the Trustee shall have discretion or permissive power it may decline to exercise the same in the absence of approval by the Bondholders. In the exercise of its duties, the Trustee shall not be responsible for the verification of the accuracy or completeness of any certification submitted to it by the Issuer and is entitled to rely exclusively and conclusively on the certification contained therein, and take action based on the information contained in, the certification or legal opinion. Notwithstanding anything described herein, the Trustee has no duty to monitor the performance or compliance of the Issuer in the fulfillment of its obligations under the Indenture and the Bonds. Furthermore, the Trustee shall not be deemed to have any actual or constructive knowledge of any Default or Event of Default unless it has been actually notified in writing of such event.

The Trustee shall not be responsible for the performance by any other person appointed by the Issuer in relation to the Bonds and, unless notified in writing to the contrary, shall assume that the same are being duly performed. The Trustee shall not be liable to any Holders or any other person for any action taken by the Holders or the Trustee in accordance with the instructions of the Holders.

The Trustee is entitled to rely conclusively on all instructions, notices, declarations and certifications or any translations (if applicable) received pursuant to the Indenture without investigating or being responsible for the accuracy, authenticity and validity of these instructions, notices, declarations and certifications or any translations thereof.

Neither the Trustee nor the Agents will be responsible for making calculations or for verifying calculations performed by the Issuer or any other persons unless otherwise expressly specified in the Indenture, or have a duty to verify the accuracy, validity and/or genuineness of any documents in relation to or in connection thereto, and shall not be liable to the Holders or any other person for not doing so.

The Trustee or any of the Agents may become the owner or pledgee of the Bonds with the same rights it would have if it were not the Trustee or an Agent and may otherwise deal with the Issuer and receive, collect, hold and retain collections from the Issuer with the same rights it would have if it were not the Trustee or an Agent.

Pursuant to the terms of the Indenture and the Bonds, the Issuer will reimburse the Trustee and the Agents for all properly incurred expenses, and advances properly made, except to the extent that any such expense was due to the Trustee's fraud, willful default or gross negligence.

The Indenture contains limitations on the rights of the Trustee, should it become a creditor of the Issuer to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claims, as security or otherwise. The Trustee, the Agents and entities associated with them are permitted to engage in other transactions with the Issuer and its Affiliates and shall not be obligated to account for any profits therefrom. Without prejudice to the foregoing, the Trustee is permitted to deal (whether on their own or their customers' account) in, or advise on, securities of such other customers and that such dealing or giving of advice will not constitute a conflict of interest for the purposes of the Bonds or the Indenture.

If an Event of Default occurs and is continuing, the Trustee may, but will not be obliged to, and shall, upon written request of Holders of at least 25% in aggregate principal amount of outstanding Bonds (subject to receiving indemnity, prefunding and/or security to its satisfaction), pursue, in its own name or as trustee of an express trust, any available remedy by proceeding at law or in equity to collect the payment of principal of and interest on the Bonds or to enforce the performance of any provision of the Bonds or this Indenture. The Trustee may maintain a proceeding even if it does not possess any of the Bonds or does not produce any of them in the proceeding.

The Trustee will not be under any obligation to exercise and have sole, absolute and uncontrolled discretion as to exercise or non-exercise of any rights or powers conferred under the Indenture for the benefit of the Holders unless such Holders have instructed the Trustee pursuant to the terms of the Indenture in writing and offered to the Trustee indemnity and/or security and/or pre-funding satisfactory to the Trustee against any loss, liability or expense. Furthermore, each Holder, by accepting the Bonds will agree, for the benefit of the Trustee and each Agent, that it is solely responsible for its own independent appraisal of, and investigation into all risks arising under or in connection with the Indenture and has not relied on and will not at any time rely on the Trustee or the Agents in respect of such risks.

Disclosure Obligations

The Indenture provides that the Issuer may have certain disclosure obligations and reporting obligations under ROC law if:

(i) the person to be registered as a shareholder of the Issuer is a "**related party**" of the Issuer under the Regulations Governing the Preparation of Financial Reports by Securities Issuers of the ROC and such person beneficially owns Common Shares converted from the Bonds; or

(ii) the person to be registered as a shareholder owns more than 10% of the total number of Common Shares (including Common Shares expected to be issued upon conversion of the Bonds).

Due to these obligations, the Issuer may ask the converting Holders to disclose the name of the person to be registered as the shareholder and to provide proof of identity and genuineness of any signature and other information and documents before it will convert the Bonds. The conversion of Bonds may be delayed until the Issuer receives the requested information and satisfactory evidence of the compliance with all laws and regulations by the Holders. The information the Holder is required to provide may include the name and nationality of the person to be registered as a shareholder of the Issuer and the total number of Common Shares such person is converting or has converted in the past.

Governing Law and Jurisdiction

The Indenture and the Bonds are governed by, and shall be construed in accordance with, the laws of the State of New York. In relation to any legal action or proceedings arising out of or in connection with the Indenture and the Bonds, the Issuer has in the Indenture irrevocably and unconditionally submitted to the non-exclusive jurisdiction of the New York State and United States Federal courts sitting in the Borough of Manhattan, The City of New York. The Issuer has appointed Cogency Global Inc., now at 122 East 42nd Street, 18th Floor, New York, NY 10168, New York, as its agent for service of process.

Bondholders should note that exercise of a Conversion Right is subject not only to the provisions of the Indenture but also to the applicable ROC laws and regulations.

TAXATION

The following is a summary addresses the principal ROC tax consequences of the ownership and disposition of the Bonds or the Common Shares to a Non-ROC Resident Individual or Non-ROC Resident Entity (each a "**Non-ROC Holder**"). As used in the preceding sentence, a "**Non-ROC Resident Individual**" is a foreign national individual who does not have a domicile in the ROC and owns the Bonds or the Company Common Shares and does not reside in the ROC for 183 days or more during any calendar year, and a "**Non-ROC Resident Entity**" is a corporation or a non-corporate body that owns the Bonds or the Company Common Shares and is organized under the laws of a jurisdiction other than the ROC and has no fixed place of business or business agent in the ROC.

You should consult your tax advisers concerning the ROC tax consequences of owning the Bonds or Common Shares and the laws of any relevant taxing jurisdiction to which you are subject.

Bonds

Possible Interest Payments

Payments of interest or premium (if any ever becomes payable on the Bonds) to a Non-ROC Holder constitute interest income derived from the ROC and, therefore, are subject to ROC withholding tax at a rate of 15% at the time of payment unless a lower withholding rate is provided under a tax treaty between the ROC and the jurisdiction where the Non-ROC Holder is a resident. The Company has agreed to pay Additional Amounts in respect of such withholding tax on the payments of interest or premium. See "Description of the Bonds — Additional Amounts".

Sale

The sale of convertible bonds which were issued and offered by ROC companies outside of the ROC is not subject to ROC securities transaction tax according to a tax directive issued by the ROC Ministry of Finance dated March 23, 2010. Accordingly, the sale of the Bonds will not be subject to the securities transaction tax.

Gains from the sale of property in the ROC are generally subject to ROC income tax. However, under current ROC law, capital gains generated from sale or disposal of corporate bonds issued by ROC companies are exempt from income tax. This exemption applies to capital gains derived from the sale of the Bonds.

Conversion into Common Shares

The conversion of the Bonds into Common Shares is currently not subject to ROC tax. However, securities transaction tax, gift tax and/or income tax may be imposed in relation to the converting holder's designation of other person to be the holder of Common Shares upon conversion of the Bonds.

Common Shares

Dividends on the Common Shares

Dividends (whether in cash or Common Shares) distributed by the Company out of retained earnings and paid out to Non-ROC Holders of Common Shares are normally subject to ROC income tax collected by way of withholding at the time of distribution. The current rate of withholding for Non-ROC Holders of Common Shares is 21% of the amount of the distribution, unless a lower withholding rate is provided under a tax treaty between the ROC and the jurisdiction where the Non-ROC Holder is a resident.

Distributions of stock dividends declared by the Company out of capital reserves are not subject to withholding tax, except under limited circumstances.

In accordance with the ROC Income Tax Act, a 5% retained earnings tax will be imposed on a company for its annual after-tax earnings generated after January 1, 2018 which are not distributed in the following year. The retained earnings tax so paid will further reduce the retained earnings available for future distribution.

Preemptive Rights

Distributions of statutory subscription rights for the Common Shares in compliance with the ROC Company Act are not subject to ROC tax. Proceeds derived from sales of statutory subscription rights evidenced

by securities are subject to securities transactions tax, currently at the rate of 0.3% of the gross amount received. Non-ROC Holders are exempt from income tax on any capital gains from such sales. However, proceeds derived from sales of statutory subscription rights which are not evidenced by securities are subject to income tax at the rate of 20% of the gains realized. Subject to compliance with ROC law, the Company has the sole discretion to determine whether statutory subscription rights shall be evidenced by the issuances of securities.

Sale

Under current ROC law, Non-ROC Holders are exempt from income tax on any capital gains generated from the sale of Common Shares.

The ROC Government imposes a securities transaction tax that will apply to sales of the Common Shares. The transaction tax, which is payable by the seller, is levied on sales of Common Shares at the rate of 0.3% of the gross amount received.

Estate Tax and Gift Tax

ROC estate tax is payable on any property within the ROC of a deceased Non-ROC Resident Individual, and ROC gift tax is payable on any property within the ROC donated by a Non-ROC Resident Individual. Estate tax and gift tax are currently imposed at progressive rates of 10%, 15% and 20%. Under the ROC estate and gift tax laws, the Bonds and Common Shares are deemed located in the ROC without regard to the location of the owner.

Tax Treaty

At present, the ROC has double tax treaties with Indonesia, Singapore, New Zealand, Australia, South Africa, Gambia, Senegal, Sweden, Eswatini, Malaysia, North Macedonia, the Netherlands, Belgium, Denmark, the United Kingdom, Vietnam, Israel, Paraguay, Hungary, France, India, Slovakia, Switzerland, Germany, Thailand, Kiribati, Luxembourg, Austria, Italy, Japan, Canada, Poland, Czech Republic, Saudi Arabia and South Korea. These tax treaties may provide a reduced withholding tax rate on interests and dividends paid with respect to bonds or shares in ROC companies.

TRANSFER RESTRICTIONS

Transfer Restrictions on the Bonds

Because of the following restrictions, we encourage you to consult a legal counsel prior to making any offer, resale, pledge or other transfer of the Bonds or the Common Shares issuable upon conversion of the Bonds.

The Bonds may not be offered or sold directly or indirectly in the ROC, or to, or for the account or benefit of, any ROC person. The Bonds and the Common Shares issuable upon conversion of the Bonds have not been registered under the Securities Act and the Bonds may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

Except in certain limited circumstances, interests in the Bonds may only be held through interests in the Global Bond. Such interests in the Global Bond will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream and their respective direct and indirect participants.

Each purchaser of the Bonds, by accepting delivery of the Bonds, will be deemed to have acknowledged and represented to and agreed as follows (terms used herein that are defined in Regulation S are used as defined therein):

1. the Bonds and the Common Shares issuable upon conversion of the Bonds have not been and are not expected to be registered under the Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions on transfer;

2. it is purchasing such Bonds outside the United States in an offshore transaction meeting the requirements of Regulation S;

3. it agrees (or if it is a broker-dealer, its customer has confirmed to it that such customer agrees) that it (or such customer) will not offer, sell, pledge or otherwise transfer such Bonds except as permitted by the applicable legend set forth in paragraph (4) below;

4. it understands that the Regulation S Global Bond and any physical certificate evidencing the Bonds will bear a legend to the following effect, unless the Company determines otherwise in compliance with applicable law, and that it will observe the restrictions contained therein:

   THE ZERO COUPON CONVERTIBLE BONDS DUE 2027 (THE "BONDS") AND THE COMMON SHARES ISSUABLE UPON CONVERSION OF THE BONDS HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED, DELIVERED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ALL APPLICABLE SECURITIES LAWS. EACH HOLDER AND BENEFICIAL OWNER, BY ITS ACCEPTANCE OF THE BONDS EVIDENCED HEREBY, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS;

5. it understands that the Bonds will be represented initially by a Global Bond; and

6. we, the Trustee, the Agents, the Initial Purchasers and their respective affiliates or advisers, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of Bonds that may wish to resell any Bonds pursuant to Regulation S is advised that approval in-principle has been received from the SGX-ST for the listing of the Bonds on the SGX-ST.

PLAN OF DISTRIBUTION

Citigroup Global Markets Limited and DBS Bank Ltd. are the joint bookrunners and the Initial Purchasers of this Offering.

Subject to the terms and conditions stated in a purchase agreement, dated as of September 1, 2026, entered into between the Company and the Initial Purchasers, the Initial Purchasers have agreed to purchase, and the Company has agreed to sell to that Initial Purchasers, the following principal amounts of the Bonds:

Initial Purchasers	Principal Amount
Citigroup Global Markets Limited	US$375,000,000
DBS Bank Ltd.	US$125,000,000
Total	US$500,000,000

The purchase agreement provides that the obligations of the Initial Purchasers to purchase the Bonds included in this Offering are subject to certain conditions, including receipt of certain legal opinions, and entitles the Initial Purchasers to terminate it in certain circumstances prior to payment being made to the Company.

The Initial Purchasers or its affiliates may purchase the Bonds for their own account and enter into transactions, including (a) credit derivatives including asset swaps, repackaging and credit default swaps relating to the Bonds and/or the Company's securities or (b) equity derivatives and stock loan transactions relating to the Common Shares at the same time as the offer and sale of the Bonds or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counter-parties and separately from any existing sale or resale of the Bonds to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of the Bonds). The Initial Purchasers or its affiliates may purchase Bonds and be allocated Bonds for asset management and/or proprietary purposes and not with a view to distribution. The Initial Purchasers or any of its affiliates is not expected to disclose such transactions or the extent of any such investment, except as required by any legal or regulatory obligation to do so. These transactions may involve a substantial portion of the Bonds.

The Bonds and the Common Shares (to be delivered upon conversion of the Bonds) have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. See "Transfer Restrictions." The Bonds will not be offered or sold directly or indirectly in the ROC, or to, or for the account or benefit of, any ROC person.

Approval in-principle has been received from the SGX-ST for the listing of the Bonds on the SGX-ST. However, the Company cannot assure you that the prices at which the Bonds will sell in the market after this Offering will not be lower than the initial offering price or that an active trading market for the Bonds will develop and continue after this Offering.

The Company, the directors, executive officers and certain shareholders of the Company (including ASMedia Technology Inc.) have agreed that, subject to certain exceptions, until 90 days after the Closing Date, not to, without the Initial Purchasers' prior written consent, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of any securities of the Company that are substantially similar to the Bonds, the Shares, including but not limited to any securities that are convertible into, or exchangeable for, the Bonds or the Shares or any such substantially similar equity securities.

The Initial Purchasers have performed commercial banking, investment banking and advisory services for us from time to time for which it has received customary fees and reimbursement of expenses. The Initial Purchasers may, from time to time, engage in transactions with and perform services for us in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses. In addition, affiliates of the Initial Purchasers are lenders, and in some cases agents or managers for the lenders, under our credit facility.

Pursuant to the purchase agreement, the Company has agreed to indemnify the Initial Purchasers against certain losses and liabilities, including civil liabilities under the Securities Act in certain situation, or to contribute to payments that the Initial Purchasers may be required to make in respect thereof.

The Bonds are being sold outside of the United States to non-U.S. persons in reliance on Regulation S.

Restriction on related party subscription under ROC law

The Bonds may not be offered or sold directly or indirectly in the ROC, or to, or for the account or benefit of, any ROC person.

Under applicable ROC laws and regulations, the Company and the Initial Purchasers are prohibited from offering and selling the Bonds to the "related parties" as set forth in the International Accounting Standard ("**IAS**") 24 or the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the persons as specified in Section 36 of the ROC Securities Association Rules Governing Underwriting and Resale of Securities by Securities Firms. Therefore, each subscriber or purchaser of the Bonds described in this Offering Circular will be deemed to have acknowledged and represented to us and the Initial Purchasers that he, she or it is not: (a) a related party to the Company, (b) a business entity that is invested by us using equity method in the Company's accounting reporting, (c) a business entity that invests in the Company and uses equity method in its accounting reporting, (d) a company whose chairperson of the board or president is the same as that of the Company or is the spouse thereof, (e) a foundation with one-third or more of its total paid-in fund donated by the Company, (f) our director, president, vice-president, assistant vice president, and other department head under the immediate supervision by the Company's president, (g) a spouse of the Company's director or president, (h) a director or employee of any member of the underwriting syndicate or a spouse thereof, and (i) a securities firm that participates in the underwriting syndicate, (j) a securities firm serving as a recommending securities firm for the public sale of new shares issued by an Emerging Stock company for cash capital increase in connection with its initial listing on a stock exchange or an OTC market, (k) in a case involving an application for an initial listing of stock on the Taiwan Innovation Board, a prospective subscriber that is not qualified as a qualified investor as set out in Article 43-1, Paragraph 2 of Taiwan Securities Association Rules Governing Underwriting and Resale of Securities by Securities Firms, and (l) a person subscribing for the Bonds on behalf of or for the benefit of any person set forth in items (b) to (k) above.

Notice to Capital Market Intermediaries and Prospective Investors Pursuant to Paragraph 21 of the Code – Important Notice to CMIs (including Private Banks)

This notice to CMIs (including Private Banks) is a summary of certain obligations the Code imposes on CMIs, which require the attention and cooperation of other CMIs (including Private Banks). Certain CMIs may also be acting as OCs for this Offering and are subject to additional requirements under the Code.

Paragraph 21.3.3(c) of the Code requires that a CMI should take all reasonable steps to identify whether its investor clients may have any associations with the Issuer, a CMI or a company in the same group of companies as the CMI and provide sufficient information to the OC to enable it to assess whether orders placed by these investors may negatively impact the price discovery process.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Bonds. In addition, Private Banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the Initial Purchasers accordingly.

CMIs are informed that the marketing and investor targeting strategy for this Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language (if applicable) set out elsewhere in this Offering Circular.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the Bonds (except for omnibus orders where underlying investor information should be provided to the OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including Private Banks as the case may be) in the order book and book messages.

CMIs (including Private Banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIs (including Private Banks) should not enter into arrangements which may result in prospective investors paying different prices for the Bonds.

The Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, the Initial Purchasers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Bonds, Private Banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private Banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Private Banks who disclose that they are placing their order other than on a "principal" basis (i.e. they are acting as an agent) should note that such order may be considered to be an omnibus order pursuant to the Code. Private Banks should be aware that if any of their group companies is a CMI of this Offering, placing an order on a "principal" basis may require the Initial Purchasers to apply the "proprietary orders" of the Code to such order and will require the Initial Purchasers to apply the "rebates" requirements of the Code (if applicable) to such order.

In relation to omnibus orders, when submitting such orders, CMIs (including Private Banks) are requested to provide the following underlying investor information, preferably in Excel Workbook format, in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including Private Banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to the OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to the OCs. By submitting an order and providing such information to the OCs, each CMI (including Private Banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by the OCs and/or any other third parties as may be required by the Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the Code, for the purpose of complying with the Code, during the bookbuilding process for the Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the Offering. The Initial Purchasers may be asked to demonstrate compliance with their obligations under the Code, and may request other CMIs (including Private Banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including Private Banks) are required to provide the relevant Initial Purchasers with such evidence within the timeline requested.

Notice to prospective investors in the European Economic Area

Each of the Initial Purchasers has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds which are the subject of the offering contemplated by this Offering Circular to any retail investor in the EEA. For the purposes of this provision, (a) the expression "retail investor" means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and (b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds.

Notice to prospective investors in the United Kingdom

Each of the Initial Purchasers has represented and agreed that: (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or the sale of the Bonds in circumstances in which section 21(1) of the FSMA does not apply to us; and (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Bonds in, from or otherwise involving the UK.

Each of the Initial Purchasers has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds which are the subject of the offering contemplated by this Offering Circular to any retail investor in the UK. For the purposes of this provision: (a) the

expression "retail investor" means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; nor (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs; and (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds.

Notice to prospective investors in Canada

The Bonds may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are both accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Bonds must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable Canadian securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Circular (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Under Canadian securities laws, National Instrument 33-105 *Underwriting Conflicts* (NI 33-105) provides disclosure requirements with respect to potential conflicts of interest between an issuer and underwriters, dealers or placement agents, as the case may be. To the extent any conflict of interest between us and any of the underwriters (or any other placement agent acting in connection with this Offering) may exist in respect of this Offering, the applicable parties to this Offering are relying on the exemption from these disclosure requirements provided to them by section 3A.3 of NI 33- 105 (Exemption based on U.S. disclosure).

Upon receipt of this document, each Canadian purchaser hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the securities described herein (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque acheteur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

Notice to prospective investors in Hong Kong

The securities may not be offered or sold in Hong Kong by means of any document other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and no advertisement, invitation or document relating to the securities may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made thereunder.

Notice to prospective investors in Japan

The securities offered in this Offering Circular have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948) (as amended) (the "**FIEA**"). Accordingly, the securities have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to, or for the account of, any resident of Japan, or to others for re-offering or re-sale, directly or indirectly in Japan or to, for the benefit of, any resident of Japan, except pursuant to any exemption from the registration requirements of the FIEA and otherwise in compliance with the FIEA and other applicable provisions of Japanese laws,

regulations and governmental guidelines. As used in this paragraph, "resident of Japan" means any person residing in Japan, including any corporation or other entity organized under the laws of Japan.

Notice to prospective investors in Singapore

This Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds may not be circulated or distributed, nor may the Bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

Investors should note that there may be restrictions on the secondary sale of the Bonds under Section 276 of the SFA.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Notice to prospective investors in the PRC

This Offering Circular is not intended to constitute a public offer of the Bonds, whether by way of sale or subscription, in the PRC. The Bonds are not being offered and may not be offered or sold, directly or indirectly, in the PRC to or for the benefit of, legal or natural persons of the PRC other than to QDIIs in the PRC. Pursuant to the Measures for the Administration of Overseas Securities Investment by Qualified Domestic Institutional Investors, with the exception of QDIIs in the PRC, the Bonds may, subject to the laws and regulations of the relevant jurisdictions, only be offered or sold to non-PRC natural or legal persons in any country other than the PRC.

LEGAL MATTERS

Certain legal matters with respect to the Bonds will be passed upon for us by Tsar & Tsai Law Firm as to ROC law, and for the Initial Purchasers by Latham & Watkins LLP as to U.S. federal and New York law.

INDEPENDENT AUDITORS

The audited consolidated financial statements of WT Microelectronics Co., Ltd. and its subsidiaries as of and for the years ended December 31, 2023, 2024 and 2025, included in this Offering Circular have been audited by PricewaterhouseCoopers, Taiwan, independent auditors, as stated in their independent auditors' reports appearing herein.

The independent auditors' reports of PricewaterhouseCoopers, Taiwan, dated February 25, 2025, relating to the audited consolidated financial statements as of and for the years ended December 31, 2023 and 2024, state that in 2023, certain consolidated subsidiaries were audited by other independent auditors and their opinion expressed herein, insofar as it relates to the amounts included in the consolidated financial statements relative to these consolidated subsidiaries was based solely on the reports of other independent auditors.

With respect to our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026, included in this Offering Circular, PricewaterhouseCoopers, Taiwan, our independent auditors, reported that they have applied review procedures in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China ("**TWSRE 2410**") for a review of such information. However, their independent auditors' review report dated August 6, 2026 with respect thereto included in this Offering Circular states that they did not audit and they do not express an opinion on that unaudited financial information. Accordingly, the degree of reliance on their independent auditors' review report on such financial statements should be restricted in light of the limited nature of the review procedures applied. The results of operations for the six month period ended June 30, 2026 are not indicative of the results that may be expected for the year ending December 31, 2026.

PricewaterhouseCoopers, Taiwan is located at 27F, No. 333 Sec. 1, Keelung Rd, Xinyi Dist, Taipei, Taiwan.

GENERAL INFORMATION

The Company was incorporated on December 23, 1993 under the name Serial Semiconductor Co., Ltd. under the Company Act of the Republic of China and with a registered capital of NT$10 million. According to our Articles of Incorporation, the Company's authorized share capital is NT$30,000,000,000, and as of August 31, 2026, our paid-in share capital was NT$12,705,627,010, divided into 1,270,562,701 Common Shares, with a par value of NT$10 per share. Our registered and principal executive office is located at 14F., No. 738, Zhongzheng Rd., Zhonghe Dist., New Taipei City, Taiwan, Republic of China, and our telephone number at the above address is +886-2-8226-9088. We are registered with the MOEA and our registration number is 84498860. Our Legal Entity Identifier Code is 549300B9CGCS0W06W129. Grand Fortune Securities Co., Ltd. currently acts as the Company's registrar service agent for the Company's Common Shares and enters transfers of Common Shares in such register upon presentation of, among other documents, certificates in respect of the transferred Common Shares. The registered office of the Company's share registrar is at 6F., No. 6, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City 100, Taiwan, Republic of China. The length of life of the Company shall be considered indefinite as there is no specific length of life under the laws of the ROC or in the Company's Articles of Incorporation.

The Bonds have been accepted for clearance and settlement by Euroclear and Clearstream. Relevant trading information is set forth below.

	ISIN	Common Code
Bonds	XS3418588524	341858852

Approval in-principle has been received from the SGX-ST for the listing of the Bonds on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained in this Offering Circular.

The Company has obtained all necessary consents, approvals and authorizations in connection with the issue of the Bonds.

The issue of the Bonds was authorized by the resolutions of the Company's board of directors passed on May 22, 2026.

Except as disclosed, there has been no significant change in the Company's financial or trading position since June 30, 2026 or any material adverse change in the Company's financial position or prospects since June 30, 2026.

Neither the Company nor any of its subsidiaries is involved in any litigation or arbitration proceedings which may have, or have had during the period recently preceding the date of this Offering Circular, a material adverse effect on the Company's financial position, nor, so far as any of them is aware, are any such proceedings pending or threatened except as may be otherwise disclosed or referred to herein.

No company in which the Company has a direct or indirect holding of more than 50% of capital or issued shares holds any Shares.

Copies (and certified English translations where the documents are not in English) of the following documents may be inspected, free of charge, at the specified offices of the Issuer, so long as the Bonds remain outstanding:

- the Company's Articles of Incorporation;
- the Indenture relating to the Bonds;
- the Purchase Agreement relating to the Bonds;
- this Offering Circular; and
- a copy of the independent auditors' reports and our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 and the independent auditors' review reports and our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026.

For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that any of the Global Bonds is exchanged for individual definitive Bonds, the Company will appoint and maintain a paying agent in Singapore, where the Bonds may be presented or surrendered for payment or redemption. In addition, in the event that any of the Global Bonds is exchanged for individual definitive Bonds, announcement of such exchange will be made by the Company or on its behalf through the SGX-ST. Such announcement will include all material information with respect to the delivery of the individual definitive Bonds, including details of the paying agent in Singapore. For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, the Bonds will be traded on the SGX-ST in a minimum board lot size of US$200,000.

APPENDIX A:

THE SECURITIES MARKETS OF THE ROC

The information presented in this section has been extracted from publicly available documents which have not been prepared or independently verified by us, the Initial Purchasers or any of our respective affiliates or advisors in connection with this Offering.

In September 1960, the ROC government established the ROC Securities and Exchange Commission to supervise and control all aspects of the existing domestic securities market and the TWSE began to take shape soon thereafter. In the 1970s and the early 1980s, the ROC government implemented a number of steps designed to upgrade the quality and importance of the ROC securities markets, such as encouraging listing on the TWSE and establishing an over-the-counter securities exchange. In the mid-1980s, the ROC government began to revise its laws and regulations in a manner designed to facilitate the gradual internationalization of the ROC securities markets. In 1997, the ROC Securities and Exchange Commission was renamed the ROC Securities and Futures Commission. Effective July 1, 2004, the ROC Securities and Futures Commission was renamed the ROC Securities and Futures Bureau (the "**SFB**") of the FSC, and its supervisory authority has been transferred from the Ministry of Finance to the FSC.

The Taiwan Stock Exchange

In 1961, the TWSE was established to provide a marketplace for securities trading. The TWSE is a corporation owned by government-controlled and privately owned banks and enterprises. The TWSE is independent of the entities transacting business through it, each of which pays to the TWSE a user's fee. Subject to limited exceptions, all transactions in listed securities by brokers, traders and integrated securities firms must be made through the TWSE.

The TWSE commenced operations in 1962. During the early 1980s, the ROC authority actively encouraged new listings on the TWSE and the number of listed companies has grown from 119 in 1983 to 1,063 as of December 31, 2025. As of June 30, 2026, the market capitalization of companies listed on the TWSE was approximately NT$150,512.4 trillion.

Historically, ROC companies have listed only shares and bonds on the TWSE. However, the ROC authority has encouraged companies to list other types of securities. In 1988, the Ministry of Finance permitted the issuance of ROC's first exchangeable bonds. Since 1989, there have been offerings of domestic convertible bonds and convertible preferred shares. In addition, beneficiary units evidencing beneficiary interests in closed-end investment funds and bonds issued by super-national financial institutions are also listed on the TWSE. The FSC also has promulgated regulations which permit foreign issuers to list certain securities on the TWSE.

The TWSE considers the following factors when evaluating a company for listing:

- the number and distribution of stockholders, including the diversification of such stockholders;
- length of time in business;
- amount of paid-in capital; and
- profitability.

However, special listing criteria apply to technology companies and key businesses that are engaged in the national economic development.

The following table shows for the periods indicated information relating to the TWSE.

Period	No. of Listed Companies at Period End	Stock Trading Values (in NT$ billions)	Index High	Index Low	Index at Period End
1996	382	12,907.6	6,982.81	4,690.22	6,933.94
1997	404	37,241.1	10,116.84	6,820.35	8,187.27
1998	437	29,619.0	9,277.09	6,251.38	6,418.43
1999	462	29,291.5	8,608.91	5,474.79	8,448.84

Period	No. of Listed Companies at Period End	Stock Trading Values (in NT$ billions)	Index High	Index Low	Index at Period End
2000	531	30,526.6	10,202.20	4,614.63	4,739.09
2001	584	18,354.9	6,104.24	3,446.26	5,551.24
2002	638	21,874.0	6,462.30	3,850.04	4,452.45
2003	669	20,333.2	6,142.32	4,139.50	5,890.69
2004	697	23,875.4	7,034.10	5,316.87	6,139.69
2005	691	18,818.9	6,575.53	5,632.97	6,548.34
2006	688	23,900.4	7,823.72	6,257.80	7,823.72
2007	698	33,043.8	9,809.88	7,344.56	8,506.28
2008	718	26,115.4	9,295.20	4,089.93	4,591.22
2009	741	29,680.5	8,188.11	4,242.61	8,188.11
2010	758	28,218.7	8,972.50	7,071.67	8,972.50
2011	790	26,197.4	9,145.35	6,633.33	7,072.08
2012	809	20,238.2	8,144.04	6,894.66	7,699.50
2013	838	18,940.9	8,623.43	7,616.64	8,611.51
2014	854	21,898.5	9,569.17	8,264.48	9,307.26
2015	874	20,191.5	9,973.12	7,410.34	8,338.06
2016	892	16,771.1	9,392.68	7,664.01	9,253.50
2017	907	23,972.2	10,854.57	9,272.88	10,642.86
2018	928	29,608.9	11,253.11	9,478.99	9,727.41
2019	942	26,464.6	12,122.45	9,382.51	11,997.14
2020	948	45,654.3	14,732.53	8,681.34	14,732.53
2021	959	92,290.0	18,248.28	14,902.03	18,218.84
2022	971	56,080.6	18,526.35	12,666.12	14,137.69
2023	997	63,170.2	17,930.81	14,199.13	17,930.81
2024	1,031	92,289.0	24,390.03	17,161.79	23,035.10
2025	1,063	93,259.3	28,963.60	17,391.76	28,963.60
2026 (through June 30, 2026)	1,079	118,922.9	47,741.51	29,349.81	46,125.91

Source: TWSE

Price limits, commissions, transaction tax and other matters

The TWSE has placed limits on block trading and on the range of daily price movements. According to the TWSE's block trading guidelines, transactions in one class of securities that involve 500 or more trading lots or trading amounts of NT$15 million or more, or transactions involving five or more different classes of securities and trading amounts of NT$15 million or more must be registered and executed in accordance with the guidelines. Fluctuations in the price of stock traded on the TWSE are currently subject to a restriction of 10% above and below the previous day's closing price (or reference price set by the TWSE if the previous day's closing price is not available or if other special circumstances occur). However, these restrictions have been modified from time to time by the FSC based on market conditions. Brokerage commission can be set at any rate of the transaction price, provided that any rate exceeding 0.1425% shall be reported to the TWSE and notified to the client in advance. A securities transaction tax, currently levied at 0.3% of the transaction price, is payable by the seller of equity securities. Such securities transaction taxes are withheld at the time of the transaction giving rise to such tax. Shares of companies listed on the TWSE are currently sold in round lots of 1,000 shares. Investors who desire to sell less than 1,000 shares of a listed company occasionally experience delays in effecting such sales.

Upon the occurrence of any matter which may have a material impact on the shareholders' equity or the price of securities of a TWSE-listed company (e.g., merger), such company should apply to the TWSE, or the TWSE should request, for suspension of trading of its shares for one to three trading days (or a longer period if necessary).

Regulation and supervision

The FSC has extensive regulatory authority over public companies. Public companies are generally required to obtain the deemed approval from the FSC for all securities offerings. The FSC has promulgated regulations requiring, unless otherwise exempted, periodic reporting of financial and operating information by all

public companies. In addition, the FSC establishes standards for financial reporting and carries out licensing and supervision of participants in the ROC securities market.

The FSC has responsibility for implementing the ROC Securities and Exchange Act and for overall administration of governmental policies in the ROC securities market. It has extensive regulatory authority over the offering, issuance and trading of securities. In addition, the ROC Securities and Exchange Act specifically empowers the SFB to promulgate necessary rules. The ROC Securities and Exchange Act prohibits market manipulation. For example, it permits an ROC public company to recover short-swing trading profits made through purchases and sales within six months by directors, managerial personnel, supervisors, as well as the spouses, minor children and nominees of these parties, and stockholders (together with their spouses, minor children and nominees) who hold more than 10% of the shares of the company. The ROC Securities and Exchange Act prohibits trading by "insiders" based on nonpublic information that materially affects share price movement prior to publication of such information and within 18 hours after publication of such information. "Insiders" include:

- directors, supervisors, managers, as well as the spouses, minor children and nominees of these parties, and stockholders (together with their spouses, minor children and nominees) who hold more than 10% of an ROC public company's shares and any individual designated by a governmental or corporate director or supervisor to act on its behalf;

- any person who has learned material, non-public information due to an occupational or controlling relationship with an ROC public company;

- any person who has been discharged from the status or position in the first and second bullet points for not more than six months; and

- any person who has learned material, non-public information from any of the above.

Sanctions include imprisonment. In addition, damages may be awarded to persons injured by the transaction. The ROC Securities and Exchange Act also imposes criminal liability on certified public accountants and lawyers who make false certifications in their examination and audit of a company's contracts, reports and other documents related to securities transactions. The FSC regulations require that financial reports of listed companies be audited by accounting firms consisting of at least three certified public accountants and be signed by at least two certified public accountants.

The ROC FSC does not have criminal or civil enforcement powers under the ROC Securities and Exchange Act. Criminal actions may be pursued only by government prosecutors. Civil actions may only be brought by plaintiffs who assert that they have suffered damages. The FSC is empowered to curb abuses and violations of laws and regulations only through administrative measures including:

- issuance of warnings;

- temporary suspension of operation;

- imposition of administrative fines; and

- revocation of licenses.

In addition to providing a market for securities trading, the TWSE reviews applications by ROC issuers to list securities on the TWSE. If issuers of listed securities violate laws and regulations or encounter significant difficulties, the TWSE may, with the approval of the FSC, delist the securities of these issuers.

APPENDIX B:

FOREIGN INVESTMENT AND EXCHANGE CONTROLS IN THE ROC

The information presented in this section has been extracted from publicly available documents which have not been prepared or independently verified by us, the Initial Purchasers or any of our respective affiliates or advisors in connection with this Offering.

Foreign Investment

Foreign investments in ROC securities markets were once restricted. Since 1983, the ROC government has adopted, enacted and amended laws and regulations to enable investment in ROC securities markets by overseas Chinese, foreign nationals, and PRC nationals. Currently, the Regulations Governing Investment in Securities by Overseas Chinese and Foreign Nationals (the "**Securities Investment Regulations for Foreign Investors**"), announced on May 26, 1983 and last amended on February 11, 2014, and the Regulations Governing Securities Investment and Futures Trading in Taiwan by Mainland Area Investors (the "**Securities Investment Regulations for PRC Nationals**"), announced on April 30, 2009 and last amended on October 6, 2010, are the two major regulations governing foreign investment in ROC securities (the "**Regulations**"). Foreign investors who are not PRC nationals shall follow the Securities Investment Regulations for Foreign Investors for their respective investment in ROC securities.

Under the Securities Investment Regulations for Foreign Investors, investors are classified into "Offshore General Foreign Investors," "Onshore General Foreign Investors," "Offshore Foreign Institutional Investors" and "Onshore Foreign Institutional Investors," based upon whether they are institutional investors or natural persons, and whether they reside in the ROC ("**Offshore General Foreign Investors**" and "**Offshore Foreign Institutional Investors**", hereafter "**Offshore Investor**"; "**Onshore General Foreign Investors**" and "**Onshore Foreign Institutional Investors**", hereafter "**Onshore Investor**"). Foreign investors are required to register with the TWSE to trade securities listed on TWSE, and the TWSE may withdraw or rescind the registration if the application documents submitted by foreign investors are untrue or incomplete, or if any material violation of the relevant regulations exists. Offshore investors are required to appoint their local agent or nominee to act on their behalf in Taiwan.

An Offshore Investor may only invest in ROC securities as permitted by the FSC such as shares, certificates of bond conversion entitlement, and Taiwan Depositary Receipts publicly or privately offered by TWSE-listed, TPEx-listed or emerging market-listed companies, beneficiary certificates issued by securities investment trusts, government bonds, bank debentures, corporate bonds, convertible bonds, bonds with warrant, beneficiary securities or asset-backed securities issued by the special purpose trust or special purpose vehicle, warrants, private placement of securities investment trust funds by securities investment trust enterprises. The FSC may set a cap for the total investment amount of offshore investors, after consulting with the CBC; provided that the FSC lifted such cap in 2008.

In the past, PRC persons were prohibited from investing, whether directly or indirectly, in ROC securities. The Securities Investment Regulations for PRC Nationals promulgated in April 2009 (as amended in October 2010) allow PRC nationals and institutional investors to make investment in certain ROC securities, if they are qualified for any of the following categories: (i) qualified domestic institutional investors that meet the qualifications required under the laws of the PRC, have been approved by the competent authority in the PRC and are permitted to make securities investments or trade futures in the ROC ("**QDII**"); (ii) PRC residents who are employees of a TWSE-listed or TPEx listed company and thereupon granted securities; (iii) companies incorporated under the laws of PRC or PRC residents who are the stockholders of a foreign company whose shares or depositary receipts are listed and traded on the TWSE or TPEx; or (iv) other categories as permitted by the competent authority. Subject to the requirements and restrictions set forth below, a PRC investor may invest in TWSE-listed or TPEx-listed securities, beneficiary certificates issued by securities investment trusts or futures trust funds, government bonds, bank debentures, corporate bonds issued by public companies, beneficiary securities or asset-backed securities issued in accordance with the Financial Asset Securitization Act or the Real Estate Securitization Act, warrants and other securities as permitted by the FSC.

- PRC investors are required to appoint their agent or nominee in Taiwan for opening a securities trading account.

- PRC investors are required to appoint a custodian permitted by the competent authority to handle the custody of funds and certificates related to securities.

- In exercising the voting rights of the shares of a TWSE-listed or TPEx-listed company, unless otherwise permitted by laws and regulations, PRC investors may not substantially control or affect the operation and management of the company.

- The amount of investment remittance for each QDII is capped at US$100 million, and the total amount remitted into Taiwan by all QDIIs shall not exceed US$500 million.

- QDIIs are currently prohibited from investing in certain industries, and their investment in a given company in certain other industries is restricted to a certain percentage pursuant to a list promulgated by the FSC and amended from time to time.

- The PRC investor may not exceed the PRC ownership limit imposed by the Taiwan competent authority.

Depositary receipts

In April 1992, the ROC Securities and Futures Commission (later reformed and known as the Securities and Futures Bureau of the FSC) enacted regulations permitting ROC companies with securities listed on the TWSE, with the prior approval of the FSC, to sponsor the issue and sale to foreign investors of depositary receipts. Depositary receipts represent deposited shares of ROC companies. In December 1994, the ROC Ministry of Finance allowed companies whose shares are traded on the TPEx or listed on the TWSE, upon approval of the FSC, to sponsor the issue and sale of depositary receipts.

After depositary receipts are issued initially by a foreign depositary, a holder of depositary receipts may request the foreign depositary to cause the underlying shares (1) to be sold in the ROC, with the proceeds from that sale distributed to the depositary receipt holder after deducting tax payments and relevant costs and expenses, or (2) to be withdrawn from the depositary receipt facility and transferred to the depositary receipt holder.

Currently, a holder of depositary shares who is a PRC person may not withdraw and hold shares unless (1) it is a QDII who will hold less than 10% (or less in certain industries) of the issuer's issued shares, or (2) if all the businesses of the issuer are in the positive list promulgated by the MOEA, the holder withdraws shares (together with its existing shareholding in the issuer) which accounts for 10% or more (or other threshold required by the regulators) of the issuer's issued shares and it otherwise obtains the approval of the DIR. However, QDIIs are currently prohibited from investing in certain industries, and their investment in a given company is restricted to a certain percentage promulgated by the competent authorities and amended from time to time. Further, there is no assurance that, in the future, there will not be further restrictions or prohibitions imposed on PRC persons (including QDIIs) from investing in certain industries in the ROC, which might accordingly cause a holder of global depositary shares who is a PRC Person to be unable to withdraw and hold the underlying shares. Accordingly, the qualification criteria for a PRC person to make investment, the restrictions on investment in certain industries and the investment threshold imposed by the FSC might accordingly cause a holder of depositary shares who is a PRC person to be unable to withdraw and hold the underlying shares.

Under existing laws and regulations relating to foreign exchange control, a depositary may, without obtaining further approvals from the CBC or any other governmental authority or agency of the ROC, convert NT Dollars into other currencies, including US dollars, in respect of the following: proceeds of the sale of shares represented by depositary receipts, proceeds of the sale of shares received as stock dividends which have been deposited into the depositary receipt facility and any cash dividends or cash distributions received. In addition, a depositary, also without any of these approvals, may convert inward remittances of payments into NT Dollars for purchases of underlying shares for deposit into the depositary receipt facility against the creation of additional depositary receipts. However, a depositary may be required to obtain foreign exchange approval from the CBC on a payment-by-payment basis for conversion from NT Dollars into other currencies relating to the sale of subscription rights for new shares if the proceeds are in excess of US$100,000 per remittance.

Proceeds from sale of the underlying shares withdrawn from the depositary receipt facility may be used for reinvestment in the TWSE, the TPEx, or stock of emerging market companies, subject to relevant regulations.

According to the Securities Investment Regulations for Foreign Investors, a non-resident foreign withdrawing holder of depositary shares, when withdrawing the underlying securities from depositary receipts

facilities of a company listed on the TWSE or TPEx, will be required to register with the TWSE, and to appoint a local agent which is a local securities firm or financial institution (with such qualifications provided by the FSC) to open a securities trading account with a local brokerage firm and an NT dollar bank account, pay ROC taxes, remit funds, exercise rights relating to the securities and perform such other matters as may be designated by such withdrawing holder of depositary shares on behalf of and as an agent for such withdrawing holder of depositary shares.

The withdrawing holder of depositary shares is also required to appoint a local bank or securities firm to act as the custodian to hold the securities and any cash proceeds in safekeeping, to make confirmation to settle trades, and to report all relevant information. Additionally, such withdrawing holder of depositary shares is required to appoint a tax guarantor for filing tax returns and making tax payments. Without satisfying the above requirements, the withdrawing holder of depositary shares would not be able to hold and subsequently sell or otherwise transfer the underlying on the TWSE or otherwise shares withdrawn from the depositary receipt facility.

Overseas corporate bonds

Since 1989, the ROC Securities and Futures Commission has approved a series of overseas bonds issued by ROC companies listed on the TWSE in offerings outside the ROC. Under current ROC law and subject to the FSC approval, overseas corporate bonds can be (i) exchanged or converted by bondholders, other than persons of the PRC except for QDIIs, into shares of ROC companies; or (ii) converted into or exchanged for depositary receipts issued by the same ROC company or by the issuing company of the exchange shares, in the case of exchangeable bonds. The relevant regulations also permit ROC companies attaining public company status to issue corporate bonds in offerings outside the ROC. Proceeds from the sale of the shares converted from overseas convertible bonds may be used for reinvestment in securities listed on the TWSE or traded on the TPEx, subject to limitations and restrictions set forth in the "Foreign Investment" section above (as applicable).

According to the Securities Investment Regulations for Foreign Investors, a non-resident foreign converting bondholder, when exercising the conversion right to convert bonds into shares of a ROC company, will be required to register with the TWSE, and to appoint a local agent (with such qualifications provided by the FSC) to open a securities trading account with a local brokerage firm, pay ROC taxes, remit funds, exercise stockholders' rights and perform such other matters as may be designated by such converting bondholder on behalf of and as agent for such converting bondholder. The converting holder is also required to appoint a custodian bank to hold the securities and any cash proceeds in safekeeping, to make confirmation to settle trades, and to report all relevant information. Additionally, such converting holder is required to appoint a tax guarantor for filing tax returns and making tax payments.

According to the Securities Investment Regulations for PRC Nationals, a PRC holder of overseas convertible bonds issued by a ROC company may not convert or exchange such convertible bonds into shares unless (i) it is a QDII, (ii) the businesses of the issuer are in the Positive List promulgated by the MOEA, and (iii) the shares converted from overseas convertible bonds, in general, would not, jointly with the other PRC stockholders of the issuer, account for 10% or more of the issuer's shares.

Unless otherwise limited by the CBC, a ROC company may, without obtaining further approval from the CBC or any other government authority of the ROC, convert NT Dollars to other non-ROC currencies, including US dollars, for making payments in respect of proceeds of the redemption of the bonds or repayment of principal of and interest on the bonds. A non-ROC converting bondholder may, through its local agent and without obtaining prior approval from the CBC, convert into foreign currencies net proceeds realized from the sale of certificates of bond conversion entitlement, shares or any stock dividends relating to such shares, or any cash dividend or other cash distribution in respect of such shares, as well as inward remittance of subscription payments in respect of rights offerings. However, a converting bondholder must obtain prior approval from the CBC on a payment-by-payment basis for conversion from NT Dollars into other currencies in respect of the proceeds from the sale of subscription rights for newly issued Shares.

Other Foreign Investment

In addition to investments permitted under the Regulations, foreign investors (other than PRC investors) who wish to make direct investments in the shares of ROC companies or purchase 10% or more of the shares in a TWSE or TPEx listed company in any single or aggregate investment are required to submit an application to the DIR or other government authority. The DIR or such other government authority reviews each application and approves or disapproves each application after consultation with other governmental agencies (such as the CBC and the FSC). As for the PRC persons, any PRC persons who wish to make direct or indirect investments in ROC

companies that engage in certain business permissible on the positive list (the "**Positive List**") promulgated by the DIR are also required to submit an application to the DIR, and are subject to strict review of the DIR after consultation with other governmental agencies.

Under current law, any non-ROC person possessing a DIR approval may remit capital for the approved investment and is entitled to repatriate annual net profits, interest and cash dividends attributable to such investment. Stock dividends attributable to such investment, investment capital and capital gains attributable to such investment may be repatriated after approvals of the DIR or other authorities have been obtained.

In addition to the general restriction against investment by non-ROC persons in ROC securities markets, non-ROC persons (other than PRC persons), subject to certain limited exceptions, are currently prohibited from investing in certain industries in the ROC pursuant to a Negative List for Investment by Overseas Chinese and Foreign Nationals (the "**Negative List**"), as amended by the Executive Yuan. The prohibition on foreign investment in the prohibited industries specified in the Negative List is absolute in the absence of specific exemption from the application of the Negative List. Pursuant to the Negative List, certain other industries are restricted so that non-ROC persons (except in certain limited cases) may invest in such industries only up to a specified level and with the specific approval of the relevant competent authority which is responsible for enforcing the relevant legislation which the Negative List is intended to implement. PRC persons may only invest in ROC companies if the business of the target falls within the Positive List promulgated by the DIR and DIR approval is obtained.

Exchange controls

The Foreign Exchange Control Act and regulations provide that all foreign exchange transactions must be executed by banks designated to handle such business by the FSC and by the CBC. Current regulations favor trade-related foreign exchange transactions and Foreign Investment Approval investments.

Consequently, foreign currency earned from exports of merchandise and services may now be retained and used freely by exporters, and all foreign currency needed for the importation of merchandise and services may be purchased freely from the designated foreign exchange banks.

Trade aside, ROC companies and resident individuals may, without foreign exchange approval, remit into or outside the ROC foreign currency of up to US$100 million (or its equivalent) and US$10 million (or its equivalent) respectively in each calendar year. Notwithstanding the above, CBC may, depending on the economic and financial situation and the need to maintain the order of the foreign exchange market, require that certain conversions exceeding a certain amount per year should be subject to the foreign exchange approval from the CBC. The above limits apply to remittances involving a conversion of NT Dollars to a foreign currency and vice versa. A requirement is also imposed on all enterprises to register medium-and long-term foreign debt with the CBC.

In addition, foreign persons may, subject to certain requirements including filing declaration and supporting documents, without foreign exchange approval of the CBC, remit outside and/or into the ROC foreign currencies of up to US$100,000 (or its equivalent) for each remittance. The above limit applies to remittances involving a conversion of NT Dollars to a foreign currency and vice versa.

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[1] The audited consolidated financial statements and unaudited consolidated financial statements set out herein have been reproduced from our audited consolidated financial statements as of and for the years ended December 31, 2024 and 2025 and as of and for the years ended December 31, 2023 and 2024 and our unaudited consolidated financial statements as of and for the six months ended June 30, 2025 and 2026. Page references are referred to pages set forth in the relevant audited consolidated financial statements and unaudited consolidated financial statements. The audited consolidated financial statements and unaudited consolidated financial statements have not been specifically prepared for inclusion in this Offering Circular.

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REVIEW REPORT

JUNE 30, 2026 AND 2025

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

INDEPENDENT AUDITORS' REVIEW REPORT

To the Board of Directors and Shareholders of WT Microelectronics Co., Ltd.

Introduction

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

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2026 and 2025, and of its consolidated financial performance for the three months and six months then ended and its consolidated cash flows for the six months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission.

Hsu, Sheng-Chung SUNG-TSE WANG

For and on Behalf of PricewaterhouseCoopers, Taiwan

August 6, 2026

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

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

	Assets	Notes	June 30, 2026 AMOUNT	%	December 31, 2025 AMOUNT	%	June 30, 2025 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 37,148,920	5	$ 28,138,755	6	$ 26,913,935	7
1110	Financial assets at fair value through profit or loss - current	6(2)	11,446	-	20,038	-	7,698	-
1120	Financial assets at fair value through other comprehensive income - current	6(3)	455,940	-	291,065	-	249,523	-
1170	Accounts receivable, net	6(4) and 7	349,112,272	43	170,018,376	32	130,172,342	33
1200	Other receivables	6(4)(5)	7,612,417	1	3,713,296	1	2,796,409	1
130X	Inventories	6(6)	318,602,436	39	259,760,361	49	180,481,336	45
1410	Prepayments		32,345,550	4	1,691,699	-	1,391,549	-
1470	Other current assets	6(1)(16) and 8	515,047	-	444,237	-	491,878	-
11XX	**Total current assets**		745,804,028	92	464,077,827	88	342,504,670	86
	Non-current assets							
1510	Financial assets at fair value through profit or loss - non-current	6(2)	614,970	-	378,412	-	386,403	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	7,683,836	1	6,137,993	1	11,406,937	3
1550	Investments accounted for using equity method	6(7)	10,799,457	1	9,140,616	2	20,069	-
1600	Property, plant and equipment	6(8)	4,894,860	1	4,718,651	1	2,952,058	1
1755	Right-of-use assets	6(9)	1,471,161	-	1,778,703	-	1,652,575	-
1760	Investment property - net		186,932	-	187,476	-	185,265	-
1780	Intangible assets	6(10)	39,093,710	5	38,827,551	8	36,280,649	9
1840	Deferred income tax assets		1,538,321	-	1,871,829	-	2,274,294	1
1900	Other non-current assets		651,923	-	441,132	-	476,688	-
15XX	**Total non-current assets**		66,935,170	8	63,482,363	12	55,634,938	14
1XXX	**Total assets**		$ 812,739,198	100	$ 527,560,190	100	$ 398,139,608	100

(Continued)

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

	Liabilities and Equity	Notes	June 30, 2026 AMOUNT	%	December 31, 2025 AMOUNT	%	June 30, 2025 AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(11)	$ 53,125,544	7	$ 25,569,230	5	$ 33,437,620	9
2110	Short-term notes and bills payable	6(12)	-	-	1,699,092	-	1,398,331	-
2120	Financial liabilities at fair value through profit or loss - current	6(2)	19,735	-	22,616	-	6,640	-
2130	Contract liabilities - current	6(23)	35,950,078	4	3,964,998	1	780,582	-
2170	Accounts payable	7	557,091,839	69	317,278,361	60	213,689,693	54
2200	Other payables	6(13)	17,328,819	2	6,877,329	1	12,612,009	3
2230	Current income tax liabilities		5,213,894	1	2,807,119	1	2,542,032	1
2280	Lease liabilities - current		562,250	-	674,788	-	621,330	-
2320	Long-term liabilities, current portion	6(15)	400,000	-	8,032,002	2	7,500,224	2
2365	Refund liabilities - current	6(23)	1,114,484	-	1,727,634	-	1,515,566	-
2399	Other current liabilities		904,970	-	1,323,898	-	1,081,019	-
21XX	**Total current liabilities**		671,711,613	83	369,977,067	70	275,185,046	69
	Non-current liabilities							
2530	Bonds payable	6(14)	10,854,968	1	10,701,899	2	-	-
2540	Long-term loans	6(15)	400,000	-	23,681,133	5	38,167,883	10
2570	Deferred income tax liabilities		3,738,193	1	3,691,903	1	3,663,853	1
2580	Lease liabilities - non-current		1,077,154	-	1,278,716	-	852,459	-
2600	Other non-current liabilities		282,030	-	291,165	-	447,075	-
25XX	**Total non-current liabilities**		16,352,345	2	39,644,816	8	43,131,270	11
2XXX	**Total liabilities**		688,063,958	85	409,621,883	78	318,316,316	80
	Equity attributable to owners of parent							
	Share capital	6(18)						
3110	Common stock		12,691,483	2	12,645,859	3	11,212,507	3
3120	Preferred stock		-	-	1,350,000	-	1,350,000	-
3130	Certificates of entitlement to new shares from convertible bonds		14,384	-	8,449	-	3,798	-
	Capital surplus	6(19)						
3200	Capital surplus		61,430,096	7	66,447,413	12	48,004,483	12
	Retained earnings	6(20)						
3310	Legal reserve		7,522,746	1	6,105,174	1	6,105,174	2
3320	Special reserve		1,737,516	-	-	-	-	-
3350	Unappropriated retained earnings		36,226,050	4	32,843,640	6	23,950,667	6
	Other equity interest	6(21)						
3400	Other equity interest		4,784,304	1	(1,737,516)	-	(11,052,513)	(3)
31XX	**Equity attributable to owners of the parent**		124,406,579	15	117,663,019	22	79,574,116	20
36XX	Non-controlling interest	6(22)	268,661	-	275,288	-	249,176	-
3XXX	**Total equity**		124,675,240	15	117,938,307	22	79,823,292	20
	Commitments and contingent liabilities	9						
	Significant subsequent events							
3X2X	**Total liabilities and equity**		$ 812,739,198	100	$ 527,560,190	100	$ 398,139,608	100

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

			Three months ended June 30				Six months ended June 30			
			2026		2025		2026		2025	
	Items	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(23) and 7	$ 590,693,698	100	$ 259,503,350	100	$ 1,084,966,618	100	$ 506,927,807	100
5000	Operating costs	6(6) and 7	(570,551,265)	(97)	(248,286,114)	(96)	(1,047,780,275)	(97)	(484,389,284)	(95)
5900	Gross profit		20,142,433	3	11,217,236	4	37,186,343	3	22,538,523	5
	Operating expenses	6(28)(29)								
6100	Selling expenses		(5,433,535)	(1)	(4,901,233)	(2)	(10,593,149)	(1)	(9,842,835)	(2)
6200	General and administrative expenses		(1,554,675)	-	(1,310,963)	-	(3,102,117)	-	(2,816,459)	(1)
6300	Research and development expenses		(145,639)	-	(201,280)	-	(357,549)	-	(403,332)	-
6450	Impairment loss determined in accordance with	12(2)								
	IFRS 9		(14,991)	-	(143,398)	-	(196,106)	-	(245,029)	-
6000	Total operating expenses		(7,148,840)	(1)	(6,556,874)	(2)	(14,248,921)	(1)	(13,307,655)	(3)
6900	Operating profit		12,993,593	2	4,660,362	2	22,937,422	2	9,230,868	2
	Non-operating income and expenses									
7100	Interest income	6(24)	287,694	-	206,275	-	529,481	-	355,682	-
7010	Other income	6(25)	205,460	-	297,530	-	310,728	-	346,259	-
7020	Other gains and losses	6(26)	306,891	-	(133,424)	-	169,625	-	(87,589)	-
7050	Finance costs	6(27)	(1,875,270)	-	(1,074,561)	(1)	(3,162,499)	-	(2,384,106)	(1)
7060	Share of profit (loss) of associates and joint	6(7)								
	ventures accounted for using equity method		308,806	-	(5,374)	-	464,769	-	(8,859)	-
7000	Total non-operating income and expenses		(766,419)	-	(709,554)	(1)	(1,687,896)	-	(1,778,613)	(1)
7900	**Profit before income tax**		12,227,174	2	3,950,808	1	21,249,526	2	7,452,255	1
7950	Income tax expense	6(30)	(2,502,125)	-	(1,111,667)	-	(4,529,234)	(1)	(1,901,298)	-
8200	**Profit for the period**		$ 9,725,049	2	$ 2,839,141	1	$ 16,720,292	1	$ 5,550,957	1

(Continued)

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

	Items	Notes	Three months ended June 30				Six months ended June 30			
			2026		2025		2026		2025	
			AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
	Other comprehensive income (loss)									
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss									
8316	Unrealised gain (loss) on valuation of equity investment instruments measured at fair value through other comprehensive income	6(21)	$ 2,305,773	-	$ 868,544	-	$ 1,736,835	1	($ 378,743)	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(21)	9,758	-	-	-	1,667,126	-	-	-
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		2,315,531	-	868,544	-	3,403,961	1	(378,743)	-
	Components of other comprehensive (loss) income that will be reclassified to profit or loss									
8361	Financial statements translation differences of foreign operations	6(21)(22)	(627,739)	-	(25,041,863)	(9)	2,915,623	-	(22,677,025)	(4)
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method	6(21) and 7	3,114	-	448	-	9,675	-	415	-
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(624,625)	-	(25,041,415)	(9)	2,925,298	-	(22,676,610)	(4)
8300	**Total other comprehensive income (loss) for the period**		$ 1,690,906	-	($ 24,172,871)	(9)	$ 6,329,259	1	($ 23,055,353)	(4)
8500	**Total comprehensive income (loss) for the period**		$ 11,415,955	2	($ 21,333,730)	(8)	$ 23,049,551	2	($ 17,504,396)	(3)
	Profit attributable to:									
8610	Owners of the parent		$ 9,712,906	2	$ 2,830,135	1	$ 16,722,070	1	$ 5,537,099	1
8620	Non-controlling interest		12,143	-	9,006	-	(1,778)	-	13,858	-
			$ 9,725,049	2	$ 2,839,141	1	$ 16,720,292	1	$ 5,550,957	1
	Comprehensive income (loss) attributable to:									
8710	Owners of the parent		$ 11,401,032	2	($ 21,225,647)	(8)	$ 23,040,758	2	($ 17,414,267)	(3)
8720	Non-controlling interest		14,923	-	(108,083)	-	8,793	-	(90,129)	-
			$ 11,415,955	2	($ 21,333,730)	(8)	$ 23,049,551	2	($ 17,504,396)	(3)
	Earnings per share (in dollars)	6(31)								
9750	Basic earnings per share		$ 7.68		$ 2.28		$ 13.00		$ 4.70	
9850	Diluted earnings per share		$ 7.29		$ 2.27		$ 12.36		$ 4.67	

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent										
		Capital				Retained Earnings						
	Notes	Share capital - common stock	Preferred stock	Certificates of bond-to-stock conversion	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Other equity interest	Total	Non-controlling interest	Total equity
Six months ended June 30, 2025												
Balance at January 1, 2025		$ 11,164,167	$ 1,350,000	$ 7,370	$ 47,673,484	$ 4,717,884	$ -	$ 27,052,694	$ 10,909,959	$ 102,875,558	$ 987,714	$ 103,863,272
Consolidated net income		-	-	-	-	-	-	5,537,099	-	5,537,099	13,858	5,550,957
Other comprehensive loss	6(21)(22)	-	-	-	-	-	-	-	(22,951,366)	(22,951,366)	(103,987)	(23,055,353)
Total comprehensive income (loss)		-	-	-	-	-	-	5,537,099	(22,951,366)	(17,414,267)	(90,129)	(17,504,396)
Appropriations of 2024 earnings:												
Legal reserve		-	-	-	-	1,387,290	-	(1,387,290)	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	-	(6,727,486)	-	(6,727,486)	-	(6,727,486)
Cash dividends for preferred stock		-	-	-	-	-	-	(270,000)	-	(270,000)	-	(270,000)
Employee stock options exercised	6(17)(18)(19)	48,585	-	(3,572)	191,929	-	-	-	-	236,942	-	236,942
Cancellation of employee restricted shares	6(17)(18)	(245)	-	-	245	-	-	-	-	-	-	-
Changes in restricted stocks to employees	6(17)(19)(21)	-	-	-	(436)	-	-	-	436	-	-	-
Changes in ownership interests in subsidiaries	6(7)(19)	-	-	-	(1,983)	-	-	-	-	(1,983)	-	(1,983)
Compensation cost of share-based payments	6(19)(21)	-	-	-	141,244	-	-	-	4,017	145,261	-	145,261
Changes in non-controlling interest	6(22)	-	-	-	-	-	-	(254,350)	984,441	730,091	(648,409)	81,682
Balance at June 30, 2025		$ 11,212,507	$ 1,350,000	$ 3,798	$ 48,004,483	$ 6,105,174	$ -	$ 23,950,667	($ 11,052,513)	$ 79,574,116	$ 249,176	$ 79,823,292
Six months ended June 30, 2026												
Balance at January 1, 2026		$ 12,645,859	$ 1,350,000	$ 8,449	$ 66,447,413	$ 6,105,174	$ -	$ 32,843,640	($ 1,737,516)	$ 117,663,019	$ 275,288	$ 117,938,307
Consolidated net income (loss)		-	-	-	-	-	-	16,722,070	-	16,722,070	(1,778)	16,720,292
Other comprehensive income	6(21)(22)	-	-	-	-	-	-	-	6,318,688	6,318,688	10,571	6,329,259
Total comprehensive income		-	-	-	-	-	-	16,722,070	6,318,688	23,040,758	8,793	23,049,551
Appropriations of 2025 earnings:	6(20)											
Legal reserve		-	-	-	-	1,417,572	-	(1,417,572)	-	-	-	-
Special reserve		-	-	-	-	-	1,737,516	(1,737,516)	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	-	(9,899,357)	-	(9,899,357)	-	(9,899,357)
Cash dividends for preferred stock		-	-	-	-	-	-	(285,889)	-	(285,889)	-	(285,889)
Capital injection	6(18)(19)	-	-	-	(14,193)	-	-	-	-	(14,193)	-	(14,193)
Redemption of preferred stock	6(18)(19)	-	(1,350,000)	-	(5,400,000)	-	-	-	-	(6,750,000)	-	(6,750,000)
Employee stock options exercised	6(17)(18)(19)	45,639	-	5,935	234,863	-	-	-	-	286,437	-	286,437
Cancellation of employee restricted shares	6(17)(18)(19)	(15)	-	-	15	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries	6(7)(19)	-	-	-	6,302	-	-	-	-	6,302	(15,420)	(9,118)
Compensation cost of share-based payments	6(19)(21)	-	-	-	155,696	-	-	-	195,151	350,847	-	350,847
Changes in equity of associates accounted for using equity method	6(7)(21)	-	-	-	-	-	-	-	8,655	8,655	-	8,655
Disposal of financial assets at fair value through other comprehensive income	6(3)(21)	-	-	-	-	-	-	674	(674)	-	-	-
Balance at June 30, 2026		$ 12,691,483	$ -	$ 14,384	$ 61,430,096	$ 7,522,746	$ 1,737,516	$ 36,226,050	$ 4,784,304	$ 124,406,579	$ 268,661	$ 124,675,240

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

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

	Notes	Six months ended June 30 2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 21,249,526	$ 7,452,255
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(28)	597,730	576,143
Amortisation	6(28)	258,160	239,289
Impairment loss determined in accordance with IFRS 9	12(2)	196,106	245,029
Impairment loss on non-financial assets	6(10)	-	104,320
Net (gain) loss on financial assets and liabilities at fair value through profit or loss	6(26)	(313,924)	328,392
Share-based payments	6(17)	316,076	155,723
Share of profit or loss of associates and joint ventures accounted for using equity method	6(7)	(464,769)	8,859
Loss (gain) on disposal of property, plant and equipment, net	6(26)	2,888	(3,302)
Interest expense	6(27)	1,846,598	1,506,533
Interest income	6(24)	(529,481)	(355,682)
Dividend income	6(25)	(27,461)	(152,548)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		(175,810,467)	(4,795,088)
Other receivables		(3,158,359)	817,295
Inventories		(54,457,011)	(39,999,467)
Prepayments		(30,334,380)	409,393
Other current assets (including contract assets)		(47,049)	163,573
Changes in operating liabilities			
Financial assets and liabilities at fair value through profit or loss		61,665	(313,493)
Contract liabilities		31,740,935	(271,647)
Accounts payable		233,546,093	51,132,884
Other payables		26,002	(1,559,284)
Other current liabilities (including refund liabilities)		(1,069,628)	167,396
Net defined benefit liability		(808)	(1,934)
Cash inflow generated from operations		23,628,442	15,854,639
Interest received		529,481	355,682
Dividends received		27,461	10,063
Interest paid		(1,637,426)	(1,444,320)
Income taxes paid		(1,817,180)	(1,750,776)
Net cash flows from operating activities		20,730,778	13,025,288

(Continued)

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

	Notes	Six months ended June 30 2026	2025
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		($ 1,258)	($ 2,113)
Proceeds from disposal of financial assets at fair value through profit or loss		51,432	-
(Increase) decrease in other financial assets		(23,694)	46,235
Acquisition of property, plant and equipment	6(32)	(281,406)	(271,401)
Proceeds from disposal of property, plant and equipment		3,962	9,146
Acquisition of intangible assets	6(10)	(129,116)	(57,412)
Increase in guarantee deposits		(301,612)	(10,007)
Decrease in guarantee deposits		82,640	18,218
Decrease (increase) in other non-current assets		7,024	(15,079)
Proceeds from disposal of investments accounted for using equity method		2,055	-
Proceeds from disposal of intangible assets	6(10)	-	382
Net cash flows used in investing activities		(589,973)	(282,031)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(33)	899,039,442	808,007,455
Decrease in short-term borrowings	6(33)	(871,639,978)	(809,887,154)
Decrease in short-term notes and bills payable	6(33)	(1,705,470)	(219,698)
Proceeds from long-term loans	6(33)	106,434,250	114,440,706
Repayments of long-term loans	6(33)	(137,347,386)	(131,181,983)
Payment of lease liabilities	6(33)	(365,570)	(364,562)
(Decrease) increase in other non-current liabilities		(8,227)	44,052
Redemption of preferred stock	6(19)	(6,750,000)	-
Acquisition of non-controlling interests	6(32) and 7	-	(985,795)
Employee stock options exercised		286,437	236,942
Capital injection	6(18)	(14,193)	-
Net cash flows used in financing activities		(12,070,695)	(19,910,037)
Effect of exchange rate changes on cash and cash equivalents		940,055	(5,647,011)
Net increase (decrease) in cash and cash equivalents		9,010,165	(12,813,791)
Cash and cash equivalents at beginning of period		28,138,755	39,727,726
Cash and cash equivalents at end of period		$ 37,148,920	$ 26,913,935

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

1. HISTORY AND ORGANISATION

WT Microelectronics Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in the sales of electronic, communication components, and their components, as well as general import and export trade.

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

These consolidated financial statements were reported to the Board of Directors on August 6, 2026.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

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

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

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

New standards, interpretations and amendments endorsed by the FSC effective from 2027 are as follows:

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

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

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

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

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 20, 'Regulatory assets and regulatory liabilities'	January 1, 2029

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Accounting Standards 34, "Interim financial reporting" that came into effect as endorsed by the FSC.

(2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Financial assets at fair value through other comprehensive income.

(c) Defined benefit assets (liabilities) recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

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

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) June 30, 2026	Ownership (%) December 31, 2025	Ownership (%) June 30, 2025	Note
WT MICROELECTRONICS CO., LTD.	WINTECH MICROELECTRONICS HOLDING LIMITED	Holding company	100	100	100	
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Sales of electronic components	100	100	100	
WT MICROELECTRONICS CO., LTD.	BSI SEMICONDUCTOR PTE. LTD.	Holding company	100	100	100	
WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Sales of electronic components	100	100	100	
WT MICROELECTRONICS CO., LTD.	BRILLNICS (TAIWAN) INC.	Research and development company	60.3	-	-	(b)
WT MICROELECTRONICS CO., LTD.	TECHMOSA INTERNATIONAL INC.	Sales of electronic components	-	-	100	(g)
WT MICROELECTRONICS CO., LTD.	MSD HOLDINGS PTE. LTD.	Sales of electronic components	-	-	100	(e)
WT MICROELECTRONICS CO., LTD.	MAXTEK TECHNOLOGY CO., LTD.	Sales of electronic components	100	100	100	
WT MICROELECTRONICS CO., LTD.	ANALOG WORLD CO., LTD.	Sales of electronic components	-	-	100	(h)

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) June 30, 2026	December 31, 2025	June 30, 2025	Note
WT MICROELECTRONICS CO., LTD.	WT SEMICONDUCTOR HOLDINGS PTE. LTD.	Holding company	-	-	100	(i)
WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LTD.	Sales of electronic components	100	100	100	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Sales of electronic components	100	100	100	
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY (H.K.) LIMITED	Sales of electronic components	-	-	100	(f)
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Sales of electronic components	100	100	100	
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Sales of electronic components	100	100	100	
WT MICROELECTRONICS CO., LTD.	FUTURE ELECTRONICS INC.	Sales of electronic components	51	51	51	
WT MICROELECTRONICS CO., LTD.	MORRIHAN SINGAPORE PTE. LTD.	Sales of electronic components	100	100	-	(j)
WT MICROELECTRONICS CO., LTD.	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Sales of electronic components	100	-	-	(k)
WINTECH MICROELECTRONICS HOLDING LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	International trade	100	100	100	
WINTECH MICROELECTRONICS HOLDING LIMITED	PROMISING INVESTMENT LIMITED	General investment	100	100	100	
WINTECH MICROELECTRONICS HOLDING LIMITED	WINTECH MICROELECTRONICS LTD.	Sales of electronic components	-	100	100	(q)
WINTECH MICROELECTRONICS HOLDING LIMITED	WINTECH INVESTMENT CO., LTD.	General investment	100	100	100	
BSI SEMICONDUCTOR PTE. LTD.	WONCHANG SEMICONDUCTOR CO., LTD.	Sales of electronic components	100	100	100	
BSI SEMICONDUCTOR PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD.	Sales of electronic components	4.53	4.53	4.53	
MORRIHAN INTERNATIONAL CORP.	ASIA LATEST TECHNOLOGY LIMITED	Holding company	100	100	100	
MORRIHAN INTERNATIONAL CORP.	FUTURE ELECTRONICS INC.	Sales of electronic components	49	49	49	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) June 30, 2026	December 31, 2025	June 30, 2025	Note
PROMISING INVESTMENT LIMITED	NINO CAPITAL CO., LTD.	Holding company	100	100	100	
PROMISING INVESTMENT LIMITED	RICH WEB LTD.	Holding company	100	100	100	
WINTECH INVESTMENT CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	Sales of electronic components	95.47	95.47	95.47	
NINO CAPITAL CO., LTD.	SHANGHAI WT MICROELECTRONICS CO., LTD.	International trade, entrepot trade and etc.	100	100	100	
RICH WEB LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	International trade, entrepot trade and etc.	100	100	100	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	BRILLNICS INC.	Holding company	100	60.03	60.06	(a) (p)
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (THAILAND) LIMITED.	Sales of electronic components	100	100	100	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS INDIA PRIVATE LIMITED	Selling and Technology Servicing	100	100	100	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (MALAYSIA) SDN. BHD.	Selling and Technology Servicing	100	100	100	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT SEMICONDUCTOR HOLDINGS PTE LTD.	Holding company	-	100	-	(d) (i)
WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Holding company	100	-	-	(d)
ASIA LATEST TECHNOLOGY LIMITED	WT MICROELECTRONICS (SHANGHAI) TECHNOLOGY CO., LTD.	Technical service, international trade, entrepot trade and etc.	100	100	100	
TECHMOSA INTERNATIONAL INC.	MORRIHAN SINGAPORE PTE. LTD.	Sales of electronic components	-	-	100	(j)
MAXTEK TECHNOLOGY CO., LTD.	HONGTECH ELECTRONICS CO., LTD.	Sales of electronic components	100	100	100	(l)
MAXTEK TECHNOLOGY CO., LTD.	LACEWOOD INTERNATIONAL CORP.	Sales of electronic components	100	100	100	(l)
BRILLNICS INC.	BRILLNICS (HK) LIMITED	Selling and Technology Servicing	-	100	100	(o)

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) June 30, 2026	December 31, 2025	June 30, 2025	Note
BRILLNICS INC.	BRILLNICS SINGAPORE PTE. LTD.	Electronic Component Manufacturing	-	100	100	(n)
BRILLNICS (HK) LIMITED	BRILLNICS JAPAN INC.	Research and Development Company	-	100	100	(m)
BRILLNICS (HK) LIMITED	BRILLNICS (TAIWAN) INC.	Research and Development Company	-	100	100	(b) (c)
BRILLNICS (TAIWAN) INC.	BRILLNICS (HK) LIMITED	Selling and Technology Servicing	100	-	-	(o)
BRILLNICS (TAIWAN) INC.	BRILLNICS SINGAPORE PTE. LTD.	Electronic Component Manufacturing	100	-	-	(n)
BRILLNICS (TAIWAN) INC.	BRILLNICS JAPAN INC.	Research and Development Company	100	-	-	(m)
WT SEMICONDUCTOR HOLDINGS PTE. LTD.	EXCELPOINT TECHNOLOGY PTE. LTD.	Holding company	-	100	100	(d)
EXCELPOINT TECHNOLOGY PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Holding company	-	100	100	(d)
EXCELPOINT TECHNOLOGY PTE. LTD.	EXCELPOINT SYSTEMS (H.K.) LIMITED	Sales of electronic components	-	100	100	(d)
EXCELPOINT TECHNOLOGY PTE. LTD.	PLANETSPARK PTE. LTD.	Research and Development and Investment Company	-	100	100	(d)
EXCELPOINT SYSTEMS (PTE) LTD	EXCELPOINT SYSTEMS (H.K.) LIMITED	Sales of electronic components	100	-	-	(d)
EXCELPOINT SYSTEMS (PTE) LTD	PLANETSPARK PTE. LTD.	Research and Development and Investment Company	100	-	-	(d)
EXCELPOINT SYSTEMS (PTE) LTD	EXCELPOINT SYSTEMS SDN. BHD.	Selling and Technology Servicing	100	100	100	
EXCELPOINT SYSTEMS (PTE) LTD	EXCELPOINT SYSTEMS (INDIA) PRIVATE LIMITED	Selling and Technology Servicing	100	100	100	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) June 30, 2026	December 31, 2025	June 30, 2025	Note
EXCELPOINT SYSTEMS (PTE) LTD	EXCELPOINT SYSTEMS (USA) INC.	Selling and Technology Servicing	100	100	100	(l)
EXCELPOINT SYSTEMS (PTE) LTD	WT MICROELECTRONICS VIETNAM COMPANY LIMITED	Sales of electronic components	100	100	100	
EXCELPOINT SYSTEMS (H.K.) LIMITED	SYNERGY ELECTRONICS (H.K.) LIMITED	Sales of electronic components	100	100	100	
EXCELPOINT SYSTEMS (H.K.) LIMITED	EXCELPOINT INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	International trade, entrepot trade and etc.	100	100	100	
EXCELPOINT SYSTEMS (H.K.) LIMITED	SYNERGY ELECTRONICS (SHENZHEN) CO., LTD.	International trade, entrepot trade and etc.	100	100	100	

(a) Employees of BRILLNICS INC. exercised employee stock options in installments for the six months ended June 30, 2025 and accordingly, the shareholder ratio decreased to 60.06%.

(b) In February 2026, the Company directly held 60.3% equity interest of BRILLNICS (Taiwan) INC. in response to the adjustment of the Group's organisational structure.

(c) In March 2026, BRILLNICS (HK) LIMITED sold 39.7% equity interest of BRILLNICS (Taiwan) INC. to non-controlling interests shareholders.

(d) WT SEMICONDUCTOR HOLDINGS PTE. LTD., EXCELPOINT TECHNOLOGY PTE. LTD., and EXCELPOINT SYSTEMS (PTE) LTD. conducted a merger (effective date set on February 12, 2026), where EXCELPOINT SYSTEMS (PTE) LTD. was the surviving company. The registration had been completed on February 27, 2026. Following the Group's organisational restructuring, EXCELPOINT SYSTEMS (PTE) LTD. directly holds 100% equity interest in PLANETSPARK PTE. LTD. and EXCELPOINT SYSTEMS (H.K.) LIMITED.

(e) On August 21, 2025, MSD HOLDINGS PTE. LTD. had been dissolved and liquidated.

(f) On August 22, 2025, WT TECHNOLOGY(H.K.) LTD. had been dissolved and liquidated.

(g) TECHMOSA INTERNATIONAL INC. conducted a short-form merger with the Company (effective date set on November 30, 2025) and the registration had been completed on December 18, 2025.

(h) On November 12, 2025, ANALOG WORLD CO., LTD. had been dissolved and liquidated.

(i) In December 2025, WT MICROELECTRONICS SINGAPORE PTE. LTD. directly held all the equity interest of WT SEMICONDUCTOR HOLDINGS PTE. LTD. in response to the adjustment of the Group's organisational structure. The registration had been completed on December 3, 2025.

(j) In December 2025, the Company directly held all the equity interest of MORRIHAN SINGAPORE PTE. LTD. in response to the adjustment of the Group's organisational structure. The registration had been completed on February 11, 2026.

(k) In January 2026, the Company directly held all the equity interest of FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD in response to the adjustment of the Group's organisational structure. The registration had been completed on April 16, 2026.

(l) As of June 30, 2026, HONGTECH ELECTRONICS CO., LTD., EXCELPOINT SYSTEMS (USA) INC. and LACEWOOD INTERNATIONAL CORP. were in the process of deregistration.

(m) In May 2026, BRILLNICS (TAIWAN) INC. directly held the equity interest of BRILLNICS JAPAN INC. in response to the adjustment of the Group's organisational structure. The registration had been completed on May 8, 2026.

(n) In May 2026, BRILLNICS (TAIWAN) INC. directly held the equity interest of BRILLNICS SINGAPORE PTE. LTD. in response to the adjustment of the Group's organisational structure. The registration had been completed on May 12, 2026.

(o) In May 2026, BRILLNICS (TAIWAN) INC. directly held the equity interest of BRILLNICS (HK) LIMITED in response to the adjustment of the Group's organisational structure. The registration had been completed on May 18, 2026.

(p) On May 13, 2026, BRILLNICS INC. acquired all the shares held by the non-controlling interest shareholders and retired these shares. As a result, the shareholder ratio of WT MICROELECTRONICS SINGAPORE PTE. LTD. in BRILLNICS INC. changed to 100%.

(q) On April 22, 2026, WINTECH MICROELECTRONICS LTD. had been dissolved and liquidated.

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

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

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

The Group acquired 20% equity interest of WT SEMICONDUCTOR HOLDINGS PTE. LTD. by cash from the non-controlling interests shareholders in February 2025. As a result, the Group's equity interest increased from 80% to 100% and WT SEMICONDUCTOR HOLDINGS PTE. LTD. became a wholly-owned subsidiary of the Group. After the acquisition, the Group did not have any subsidiaries with significant non-controlling interests.

Summarised financial information of WT SEMICONDUCTOR HOLDINGS PTE. LTD. before the Group's acquisition of the 20% equity interest:

Statement of comprehensive income

	January 1 to February 17, 2025 (Effective Date)
Revenue	$ 2,811,611
Loss for the period from continuing operations	(48,293)
Other comprehensive loss, net of tax	(1,987)
Total comprehensive loss for the period	($ 50,280)
Comprehensive loss attributable to non-controlling interest	($ 481)
Dividends paid to non-controlling interest	$ -

Statement of cash flows

	January 1 to February 17, 2025 (Effective Date)
Net cash flows used in operating activities	($ 992,603)
Net cash flows from investing activities	62
Net cash flows from financing activities	584,324
Effect of exchange rate changes on cash and cash equivalents	3,024
Decrease in cash and cash equivalents	(405,193)
Cash and cash equivalents at beginning of period	1,260,763
Cash and cash equivalents at end of period	$ 855,570

(4) Foreign currency translation

A. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional and the Group's presentation currency.

B. Foreign currency transactions and balances

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

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses.'

C. Translation of foreign operations

(a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, if the Group retains partial interest in the former foreign associate or joint arrangement after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangement, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled in the normal operating cycle;

(b) Liabilities that are held primarily for the purpose of trading;

(c) Liabilities that are due to be settled within twelve months after the reporting period;

(d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

A. These are financial assets that are not measured at amortised cost or at fair value through other comprehensive income and are held for trading if acquired principally for the purpose of repurchasing in the short term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.

B. On a regular way purchase or sale basis, financial assets and liabilities at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets and financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition relating to the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Accounts and notes receivable

A. Accounts and notes receivable entitle the Group to a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are initially recognised and subsequently measured at initial invoice amount as the effect of discounting is immaterial.

C. The Group's operating pattern of accounts receivable that are expected to be factored is for the purpose of receiving contract cash flow and selling, and the accounts receivable are subsequently measured at fair value, with any changes in fair value recognised in other comprehensive income.

(10) Impairment of financial assets

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

(11) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

A. The contractual rights to receive the cash flows from the financial asset expire.

B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows of the financial asset have been transferred, however, the Group has not retained control of the financial asset.

(12) Leasing arrangements (lessor) - operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(13) Inventories

A. The cost of inventories includes the purchase price, import duties and other costs directly attributable to the acquisition of goods. The discount, allowance and other similar items should be deducted from the cost.

B. Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(14) Investments accounted for using equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for using equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

F. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

H. At the balance sheet date, the Group performs an impairment test for an investment in an associate when there is an indication that the investment may be impaired. The entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

(15) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings	27 ~ 56 years
Office equipment	2 ~ 25 years
Other assets	2 ~ 15 years

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

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the Group's incremental borrowing interest rate. Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable; and

(b) Variable lease payments that depend on an index or a rate.

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

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date; and

(c) Any initial direct costs incurred by the lessee.

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

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

(17) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 27 ~ 56 years.

(18) Intangible assets

A. Goodwill arises in a business combination accounted for by applying the acquisition method.

B. Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 2 ~ 5 years.

C. Other intangible assets, mainly customer relationship, are recorded at cost and amortised on a straight-line basis over the estimated useful life of 5 ~ 26.74 years.

(19) Impairment of non-financial assets

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

B. The recoverable amount of goodwill shall be evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(20) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(21) Borrowings

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

B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs.

(22) Convertible corporate bonds

Convertible bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

A. The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

B. The embedded conversion options which meet the definition of an equity instrument are initially recognised in 'capital surplus—share options' at the residual amount of total issue price less the amount of 'bonds payable' as stated above. Conversion options are not subsequently remeasured.

C. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.

D. When bondholders exercise conversion options, the liability component of the bonds shall be remeasured on the conversion date. The issuance cost of converted common shares is the total carrying amount of the abovementioned liability component and 'capital surplus—share options'.

(23) Derecognition of financial liabilities

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

(24) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(25) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequent actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(26) Employee share-based payment

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

B. The grant date of cash capital increase reserved for employee preemption is the date at which the entity and the employee agree to a share-based payment arrangement, being when the entity and the counterparty have a shared understanding of the terms and conditions of the arrangement.

C. Restricted stocks:

(a) Restricted stocks issued to employees are measured at the fair value of the equity instruments granted at the grant date and are recognised as compensation cost over the vesting period.

(b) For restricted stocks where those stocks do not restrict distribution of dividends to employees and employees are not required to return the dividends received if they resign during the vesting period, the Group recognises the fair value of the dividends received by the employees who are expected to resign during the vesting period as compensation cost at the date of dividends declared.

(27) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the shareholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

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

F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from research and development expenditures to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

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

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

(28) Share capital

A. Common stock is classified as equity. The classification of preferred stocks is determined according to the special rights attached to the preferred stocks based on the substance of the contract and the definition of financial liabilities and equity instruments. Preferred stocks are classified as liabilities when they have the basic characteristics of financial liabilities; otherwise, they are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their carrying amount and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(29) Dividends paid

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders or Board of Directors. Cash dividends are recorded as liabilities.

(30) Revenue recognition

A. Sales of goods

(a) The Group sells electronic components. Sales are recognised when the control of the products has been transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(b) The goods are often sold with discounts based on aggregate sales. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated sales discounts and allowances. Accumulated experience is used to estimate and provide for the sales discounts and allowances, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected discounts payable to customers in relation to sales made until the end of the reporting period. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.

(c) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The customer pays at the time specified in the payment schedule. If the payments exceed the merchandise provided, a contract liability is recognised.

B. Services

(a) The Group provides semiconductor development services. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided at the end of the reporting period in a proportion to the total services to be provided. This is determined based on the contract costs incurred for services performed to the estimated total cost for the service contract. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

(b) The Group’s estimate about revenue, costs and progress towards complete satisfaction of a performance obligation is subject to a revision whenever there is a change in circumstances. Any increase or decrease in revenue or costs due to an estimate revision is reflected in profit or loss during the period when the management becomes aware of the changes in circumstances.

(31) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(32) Operating segments

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

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

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

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

Revenue recognition on a net/gross basis

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for the other party to provide those goods or services (i.e. the Group is an agent) based on the transaction model and its economic substance. The Group is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Group recognises revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Group is an agent if its performance obligation is to arrange for the provision of goods or services by another party. The Group recognises revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Group controls the goods or services before it is provided to a customer include the following:

A. The Group is primarily responsible for the provision of goods or services.
B. The Group assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer.
C. The Group has discretion in establishing prices for the goods or services.

(2) Critical accounting estimates and assumptions

A. Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgement, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units. Refer to Note 6(10) for goodwill impairment as of June 30, 2026.

B. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the estimated selling price in the ordinary course of business within the specified period before the balance sheet date. Therefore, there might be material changes to the evaluation. Refer to Note 6(6) for the carrying amount of inventory as of June 30, 2026.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand and revolving funds	$ 4,102	$ 3,407	$ 20,949
Checking accounts and demand deposits	37,144,818	27,678,508	26,278,474
Time deposits	-	456,840	614,512
	$ 37,148,920	$ 28,138,755	$ 26,913,935

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

B. As of June 30, 2026, December 31, 2025 and June 30, 2025, the time deposits with maturity date over 3 months of $459,254, $435,560 and $487,253, respectively, are recorded as 'other current assets.'

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

Assets	June 30, 2026	December 31, 2025	June 30, 2025
Current items:			
Equity instruments	$ 6,987	$ 5,912	$ 4,927
Derivatives	4,459	14,126	2,771
	$ 11,446	$ 20,038	$ 7,698
Non-current items:			
Beneficiary certificates	$ 594,959	$ 338,658	$ 341,813
Debt instruments	4,079	1,236	30,011
Hybrid instruments	15,932	38,518	14,579
	$ 614,970	$ 378,412	$ 386,403

Liabilities	June 30, 2026	December 31, 2025	June 30, 2025
Current items:			
Derivatives	$ 19,735	$ 22,616	$ 6,640

A. Amounts recognised in profit or loss in relation to financial assets and liabilities measured at fair value through profit or loss are as follows:

	Three months ended June 30,	
	2026	2025
Derivatives	($ 33,839)	($ 233,887)
Beneficiary certificates	250,205	25,953
Equity instruments	515	(896)
Debt instruments	111	-
Hybrid instruments	202	(1,275)
	$ 217,194	($ 210,105)

	Six months ended June 30,	
	2026	2025
Derivatives	$ 55,407	($ 333,209)
Beneficiary certificates	254,139	7,224
Equity instruments	1,075	(560)
Debt instruments	2,802	-
Hybrid instruments	501	(1,847)
	$ 313,924	($ 328,392)

B. The non-hedging derivative financial assets and liabilities and contract information are as follows:

	June 30, 2026		
Derivative financial assets	Contract amount (Notional principal) (In thousands)		Contract period
Current items:			
Forward foreign exchange contracts	USD (BUY)	30,133	2026.6.26~2026.9.30
Derivative financial liabilities			
Current items:			
Forward foreign exchange contracts	USD (BUY)	318,911	2026.6.26~2026.9.30

	December 31, 2025		
Derivative financial assets	Contract amount (Notional principal) (In thousands)		Contract period
Current items:			
Forward foreign exchange contracts	USD (BUY)	133,083	2025.12.29~2026.1.30
Derivative financial liabilities			
Current items:			
Forward foreign exchange contracts	USD (BUY)	225,000	2025.12.29~2026.1.30

	June 30, 2025		
Derivative financial assets	Contract amount (Notional principal) (In thousands)		Contract period
Current items:			
Forward foreign exchange contracts	USD (BUY)	58,809	2025.6.26~2025.7.31
Derivative financial liabilities			
Current items:			
Forward foreign exchange contracts	USD (BUY)	279,608	2025.5.5~2025.7.31

The Group entered into forward foreign exchange contracts to buy USD to hedge exchange rate risk of foreign currency. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

C. For the derivative transactions, the Group deals with a variety of financial institutions all with high credit quality, so it expects that the probability of counterparty default is remote.

D. The Group has no financial assets measured at fair value through profit or loss pledged to others.

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

Items	June 30, 2026	December 31, 2025	June 30, 2025
Current items:			
Equity instruments	$ 455,940	$ 291,065	$ 249,523
Non-current items:			
Equity instruments	$ 7,683,836	$ 6,137,993	$ 11,406,937

A. The Group had elected to classify certain strategic investments in the above table, including publicly listed companies, emerging stock board companies, and privately held companies, as financial assets measured at fair value through other comprehensive income.

B. On October 1, 2025, the Company acquired the equity interest in NICHIDENBO CORPORATION through the issuance of new shares. After the share exchange, the Company held 35.47% and thereby had significant influence over NICHIDENBO CORPORATION. Thus, the investments in the entity were reclassified as 'investments accounted for using equity method' and were regarded as sale and repurchase.

C. Refer to Note 6(21) for information on changes in fair value recognised in other comprehensive income for the six months ended June 30, 2026 and 2025.

D. The Group has no financial assets measured at fair value through other comprehensive income pledged to others as of June 30, 2026, December 31, 2025 and June 30, 2025.

(4) Notes and accounts receivable

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable	$ 1,381,609	$ 1,524,492	$ 1,609,060
Accounts receivable	348,073,362	169,065,445	129,065,757
Less: Allowance for uncollectible accounts	(342,699)	(571,561)	(502,475)
Notes and accounts receivable, net	349,112,272	170,018,376	130,172,342
Overdue receivables	1,062,808	817,968	431,259
Less: Allowance for uncollectible accounts	(1,062,808)	(817,968)	(431,259)
	$ 349,112,272	$ 170,018,376	$ 130,172,342

A. As of June 30, 2026, December 31, 2025 and June 30, 2025, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2025, the balance of accounts receivable and notes receivable amounted to $142,800,555.

B. Transferred financial assets that are derecognised in their entirety

(a) As of June 30, 2026, December 31, 2025 and June 30, 2025, the Group had outstanding discounted notes receivable amounting to $3,037,206, $3,035,737 and $3,560,881, respectively. However, as the notes receivable are bank's acceptance bills and are discounted without right of recourse, those discounted notes receivable were deducted directly from notes receivable.

(b) The Group entered into factoring agreements with domestic financial institutions to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognised the transferred accounts receivable, and the related information is as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Accounts receivable transferred (Amount derecognised)	$ 71,011,391	$ 43,840,245	$ 35,547,017
Amount advanced	$ 66,247,949	$ 42,207,216	$ 35,567,558
Amount retained (shown as 'other receivables')	$ 4,763,442	$ 1,633,029	$ 885,273

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

(d) As of June 30, 2025, the Group's transferred accounts receivable amounts and advanced amounts have been converted into New Taiwan Dollars using the closing exchange rate on the balance sheet date and the average exchange rate for the current period, respectively. The retained amounts as of June 30, 2025 were calculated by multiplying the original foreign currency retained amounts at the end of the period by the exchange rate at the end of the period.

C. Transferred financial assets that are not derecognised in their entirety

(a) The Group entered into factoring agreements with domestic financial institutions to sell its accounts receivable. Under the agreement, the Group can transfer non-L/C accounts receivable financing to financial institutions, and the banks have the right of recourse to the transferred accounts receivable. For accounts receivable that will not be recovered in the specific period, the Group will retain risk and returns of such accounts receivable. Accordingly, the Group did not derecognise the accounts receivable where the banks have the right of recourse, and related advance payments were listed in 'short-term borrowings.'

(b) On June 30, 2026, December 31, 2025 and June 30, 2025, the Group has no accounts receivable for sales and advance payments.

D. As of June 30, 2026, December 31, 2025 and June 30, 2025, the interest rates for amounts advanced ranged between 1.68%~4.77%, 1.78%~5.074% and 1.78%~5.55%, respectively.

E. As of June 30, 2026, December 31, 2025 and June 30, 2025, the total limits of the accounts receivable factoring were $351,531,307, $313,206,447 and $123,048,546, respectively.

F. As of June 30, 2026, December 31, 2025 and June 30, 2025, the Group has issued a promissory note of $182,024,318, $176,568,771 and $177,554,091, respectively, as performance guarantee against any business dispute.

G. Refer to Note 6(27) for information on financing charges on accounts receivable factoring for the three months and six months ended June 30, 2026 and 2025.

H. As of June 30, 2026, December 31, 2025 and June 30, 2025, the Group's accounts receivable that are expected to be factored were classified as financial assets at fair value through other comprehensive income in the amounts of $212,443,317, $67,619,449 and $26,596,439, respectively, and recorded as 'accounts receivable.'

I. The Group took out a credit insurance on the accounts receivable from certain main customers, whereby 90% of the receivable amount can be covered when the receivables are uncollectible. As at June 30, 2026, December 31, 2025 and June 30, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable was the carrying amount of the notes and accounts receivable.

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

K. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(5) Other receivables

	June 30, 2026	December 31, 2025	June 30, 2025
Amounts retained for accounts receivable factoring	$ 4,763,442	$ 1,633,029	$ 885,273
VAT refund receivable	656,111	622,845	647,040
Input tax	582,412	409,634	392,188
Dividends receivable	489,600	-	-
Government subsidies	369,389	244,143	-
Customs duties refund receivable	167,924	250,552	369,365
Others	583,539	553,093	502,543
	$ 7,612,417	$ 3,713,296	$ 2,796,409

(6) Inventories

	June 30, 2026	December 31, 2025	June 30, 2025
Merchandise inventory	$ 320,166,743	$ 261,298,094	$ 182,000,861
Less: Allowance for inventory obsolescence and market value decline	(1,564,307)	(1,537,733)	(1,519,525)
	$ 318,602,436	$ 259,760,361	$ 180,481,336

The cost recognised as expense for the period:

	Three months ended June 30,	
	2026	2025
Cost of inventories sold	$ 570,405,075	$ 248,173,152
Services cost	131,438	117,537
Loss on (gain on reversal of) decline in market value	14,752	(4,575)
	$ 570,551,265	$ 248,286,114

	Six months ended June 30,	
	2026	2025
Cost of inventories sold	$ 1,047,570,447	$ 484,208,155
Services cost	195,168	201,862
Loss on (gain on reversal of) decline in market value	14,660	(20,733)
	$ 1,047,780,275	$ 484,389,284

For the three months and six months ended June 30, 2025, the Group reversed a previous inventory write-down which was accounted for as reduction of cost of goods sold because the Group sold some inventories with net realisable value lower than its cost.

(7) Investments accounted for using equity method

	2026	2025
At January 1	$ 9,140,616	$ 31,612
Proceeds from disposal of investments accounted for using equity method	(2,055)	-
Earnings distribution of investments accounted for using equity method	(489,600)	-
Share of profit (loss) of investments accounted for using equity method	464,769	(8,859)
Changes in other equity items	1,685,727	(2,684)
At June 30	$ 10,799,457	$ 20,069

Associates:

A. The basic information of the Group's significant associates is as follows:

		Shareholding ratio			
Company name	Principal place of business	June 30, 2026	December 31, 2025	Relationship type	Measurement method
NICHIDENBO CORPORATION	Taiwan	35.47%	35.47%	Significant influence	Equity method

B. The summarised financial information of the associates that are material to the Group is as follows:

Balance Sheet

	NICHIDENBO CORPORATION	
	June 30, 2026	December 31, 2025
Current Assets	$ 12,537,329	$ 10,305,913
Non-current Assets	14,430,704	9,868,558
Current Liabilities	(8,019,227)	(6,015,257)
Non-current Liabilities	(312,709)	(288,697)
Total Net Assets	$ 18,636,097	$ 13,870,517
Share of Net Assets in Associates	$ 6,589,156	$ 4,900,179
Goodwill	2,986,998	2,986,998
Others	1,206,273	1,234,240
Book value of associates	$ 10,782,427	$ 9,121,417

Comprehensive income statement

	NICHIDENBO CORPORATION	
	Three months ended June 30, 2026	Six months ended June 30, 2026
Revenue	$ 5,153,773	$ 9,646,164
Net profit from continuing operations	$ 919,890	$ 1,411,494
Other comprehensive income (net of tax)	37,585	4,728,779
Total comprehensive income for the period	$ 957,475	$ 6,140,273
Dividends received from associates (Recorded as 'other receivable')	$ 489,600	$ -

C. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarised below:

	Three months ended June 30,	
	2026	2025
Loss for the period from continuing operations	($ 213)	($ 5,374)
Other comprehensive income, net of tax	19	35
Total comprehensive loss	($ 194)	($ 5,339)
	Six months ended June 30,	
	2026	2025
Loss for the period from continuing operations	($ 361)	($ 8,859)
Other comprehensive (loss) income, net of tax	(22)	2
Total comprehensive loss	($ 383)	($ 8,857)

D. The Group's major associates with publicly quoted market prices have the following fair values:

	June 30, 2026	December 31, 2025
NICHIDENBO CORPORATION	$ 32,895,000	$ 10,036,800

E. On October 1, 2025, the Company acquired the equity interest in NICHIDENBO CORPORATION through the issuance of new shares. Please refer to Note 6(3) for details. After the share exchange, the Company is the single largest shareholder of NICHIDENBO CORPORATION with a 35.47% equity interest. Given that the Company does not hold the voting rights of more than half of its shareholders attendance rate, which indicates that the Company has no current ability to direct the relevant activities of NICHIDENBO CORPORATION, the Company has no control, but only has significant influence, over the investee.

(8) Property, plant and equipment

	Land	Buildings	Office equipment	Others	Total
At January 1, 2026					
Cost	$471,596	$ 4,100,482	$ 6,012,378	$ 1,569,560	$ 12,154,016
Accumulated depreciation and impairment	-	(835,582)	(5,258,654)	(1,341,129)	(7,435,365)
	$471,596	$ 3,264,900	$ 753,724	$ 228,431	$ 4,718,651
2026					
Opening net book amount	$471,596	$ 3,264,900	$ 753,724	$ 228,431	$ 4,718,651
Additions	-	1,051	118,712	161,370	281,133
Disposals	-	-	(4,116)	(2,734)	(6,850)
Reclassifications	-	(1,021)	396	(433)	(1,058)
Depreciation charge	-	(56,045)	(115,900)	(59,168)	(231,113)
Net exchange differences	4,818	113,393	9,942	5,944	134,097
Closing net book amount	$476,414	$ 3,322,278	$ 762,758	$ 333,410	$ 4,894,860
At June 30, 2026					
Cost	$476,414	$ 4,231,458	$ 6,185,460	$ 1,729,233	$ 12,622,565
Accumulated depreciation and impairment	-	(909,180)	(5,422,702)	(1,395,823)	(7,727,705)
	$476,414	$ 3,322,278	$ 762,758	$ 333,410	$ 4,894,860

	Land	Buildings	Office equipment	Others	Total
At January 1, 2025					
Cost	$484,872	$ 2,547,206	$ 6,000,969	$ 1,813,430	$ 10,846,477
Accumulated depreciation and impairment	-	(728,628)	(5,400,858)	(1,525,469)	(7,654,955)
	$484,872	$ 1,818,578	$ 600,111	$ 287,961	$ 3,191,522
2025					
Opening net book amount	$484,872	$ 1,818,578	$ 600,111	$ 287,961	$ 3,191,522
Additions	-	14,574	233,682	19,867	268,123
Disposals	-	-	(4,385)	(1,459)	(5,844)
Reclassifications	-	10,406	11,954	(22,360)	-
Depreciation charge	-	(35,080)	(105,153)	(48,836)	(189,069)
Net exchange differences	(35,108)	(186,638)	(68,713)	(22,215)	(312,674)
Closing net book amount	$449,764	$ 1,621,840	$ 667,496	$ 212,958	$ 2,952,058
At June 30, 2025					
Cost	$449,764	$ 2,320,026	$ 5,554,367	$ 1,651,637	$ 9,975,794
Accumulated depreciation and impairment	-	(698,186)	(4,886,871)	(1,438,679)	(7,023,736)
	$449,764	$ 1,621,840	$ 667,496	$ 212,958	$ 2,952,058

Office and other equipment as at June 30, 2026 and 2025 were for the Group's own use and not for lease.

(9) Leasing arrangements - lessee

A. The Group leases various assets including land, office and warehouse. Except for right-of-use land for periods of 20 to 50 years, the rental contracts are typically made for periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of twelve months or less comprise certain offices, parking space and printers.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
	Carrying amount	Carrying amount	Carrying amount
Land	$ -	$ -	$ 320,371
Buildings and structures	1,471,161	1,778,703	1,332,204
	$ 1,471,161	$ 1,778,703	$ 1,652,575

	Three months ended June 30,	
	2026	2025
	Depreciation charge	Depreciation charge
Land	$ -	$ 1,882
Buildings and structures	182,171	180,281
	$ 182,171	$ 182,163

	Six months ended June 30,	
	2026	2025
	Depreciation charge	Depreciation charge
Land	$ -	$ 3,870
Buildings and structures	364,890	381,520
	$ 364,890	$ 385,390

D. For the three months and six months ended June 30, 2026 and 2025, the additions to right-of-use assets were $46,695, $12,535, $56,835 and $24,431, respectively.

E. The information on income or expense accounts relating to lease contracts is as follows:

	Three months ended June 30,	
	2026	2025
Items affecting profit or loss		
Interest expense on lease liabilities	$ 18,067	$ 15,532
Expense on short-term lease contracts	83,430	63,185

	Six months ended June 30,	
	2026	2025
Items affecting profit or loss		
Interest expense on lease liabilities	$ 37,546	$ 35,775
Expense on short-term lease contracts	161,627	124,602

F. For the three months and six months ended June 30, 2026 and 2025, the Group's total cash outflow for leases were $285,154, $254,458, $564,743 and $524,939, respectively.

(10) Intangible assets

	Goodwill	Software	Customer relationship	Total
At January 1, 2026				
Cost	$ 31,172,367	$ 1,525,398	$ 8,606,635	$ 41,304,400
Accumulated amortisation and impairment	(315,380)	(1,243,051)	(918,418)	(2,476,849)
	$ 30,856,987	$ 282,347	$ 7,688,217	$ 38,827,551
2026				
Opening net book amount	$ 30,856,987	$ 282,347	$ 7,688,217	$ 38,827,551
Additions	-	129,116	-	129,116
Reclassifications	-	1,298	-	1,298
Amortisation charge (shown as 'general and administrative expenses')	-	(68,401)	(189,759)	(258,160)
Net exchange differences	312,031	3,286	78,588	393,905
Closing net book amount	$ 31,169,018	$ 347,646	$ 7,577,046	$ 39,093,710
At June 30, 2026				
Cost	$ 31,181,018	$ 1,640,595	$ 8,652,957	$ 41,474,570
Accumulated amortisation and impairment	(12,000)	(1,292,949)	(1,075,911)	(2,380,860)
	$ 31,169,018	$ 347,646	$ 7,577,046	$ 39,093,710

	Goodwill	Software	Customer relationship	Total
At January 1, 2025				
Cost	$ 32,428,594	$ 1,469,403	$ 8,968,212	$ 42,866,209
Accumulated amortisation and impairment	(228,208)	(1,295,446)	(495,450)	(2,019,104)
	$ 32,200,386	$ 173,957	$ 8,472,762	$ 40,847,105
2025				
Opening net book amount	$ 32,200,386	$ 173,957	$ 8,472,762	$ 40,847,105
Additions	-	57,412	-	57,412
Disposal	-	(382)	-	(382)
Amortisation charge (shown as 'general and administrative expenses')	-	(42,786)	(196,503)	(239,289)
Impairment loss	(87,419)	-	(16,901)	(104,320)
Net exchange differences	(3,365,102)	(16,235)	(898,540)	(4,279,877)
Closing net book amount	$ 28,747,865	$ 171,966	$ 7,360,818	$ 36,280,649
At June 30, 2025				
Cost	$ 29,063,245	$ 1,380,453	$ 8,012,354	$ 38,456,052
Accumulated amortisation and impairment	(315,380)	(1,208,487)	(651,536)	(2,175,403)
	$ 28,747,865	$ 171,966	$ 7,360,818	$ 36,280,649

A. Goodwill is allocated to the Group's cash-generating units identified according to operating segment as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Canada	$ 21,144,708	$ 28,111,559	$ 26,103,167
Greater China Region	8,446,876	1,192,266	1,176,089
All other segments	1,577,434	1,553,162	1,468,609
	$ 31,169,018	$ 30,856,987	$ 28,747,865

B. Goodwill is allocated to the Group's cash-generating units identified according to operating segment. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management covering a five-year period.

The future cash flows were estimated based on the annual revenue, gross profit and other operating expenses in the future. Management determined budgeted gross profit based on past performance and their expectations of market development. The Group's estimated average annual revenue growth rate for the six months ended June 30, 2026 and 2025 were 0%~3% and -15.57%~5%, respectively; the assumption used for discount rate is the weighted average capital cost of the Group. As of June 30, 2026, December 31, 2025 and June 30, 2025, the key valuations used for pre-tax discount rate to reflect risk of related cash-generating units were 6.6%~8.14%, 6.02%~10.06% and 5.14%~8.95%, respectively. Based on the aforementioned assessment, the Group recognised impairment loss amounting to $104,320 for the six months ended June 30, 2025.

C. There were no intangible assets that were pledged to others.

(11) Short-term borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Credit loans	$ 53,125,544	$ 25,569,230	$ 33,437,620
Interest rates per annum	1.9%~4.76%	1.90%~4.55%	1.88%~2.35%

(12) Short-term notes and bills payable

	June 30, 2026	December 31, 2025	June 30, 2025
Commercial paper	$ -	$ 1,700,000	$ 1,400,000
Amortisation of discount	-	(908)	(1,669)
	$ -	$ 1,699,092	$ 1,398,331
Coupon rate	-	1.55%~1.80%	1.64%~1.77%

The notes and bills were issued under guarantee and acceptance offered by the financial institutions to fund short-term capital. The issuance period is within 90 days.

(13) Other payables

	June 30, 2026	December 31, 2025	June 30, 2025
Dividends payable	$ 10,185,246	$ -	$ 6,997,486
Salaries and bonuses payable	4,038,211	3,972,590	2,952,828
Accrued VAT payable	715,272	695,248	318,218
Freight payable	443,755	318,401	283,258
Finance costs payable	332,350	112,697	119,681
Insurance expense payable	325,152	378,060	250,734
Services payable	168,542	186,642	184,891
Others	1,120,291	1,213,691	1,504,913
	$ 17,328,819	$ 6,877,329	$ 12,612,009

(14) Bonds payable

	June 30, 2026	December 31, 2025	June 30, 2025
Bonds payable	$ 11,276,424	$ 11,276,424	$ -
Less: Discount on bonds payable	(421,456)	(574,525)	-
	$ 10,854,968	$ 10,701,899	$ -

A. The Company issued the overseas unsecured convertible bonds and completed the pricing as approved by the competent authority. The terms are as follows:

(a) The total issuance amounted to USD 350 million, with a coupon rate of 0%, and the bonds mature 2 years from November 24, 2025 to November 24, 2027. The convertible bonds will be fully redeemed at the face value in cash at the maturity date. The bonds were listed on the Singapore Exchange on November 25, 2025. Upon maturity, the convertible bonds will be redeemed by the Company in USD at the yielding rate, which is the face value plus an annual interest rate of 1.125% (calculated once semi-annually).

(b) Except for the bonds redeemed early, repurchased and retired, bonds that were converted by their bondholders and the mandatory stop transfer period regulated by the relevant laws and agreed in the bond indenture separately, the bondholders have the right to ask for conversion of the bonds into newly issued common shares of the Company in accordance with the relevant regulation and the bond indenture during the period from the date after three months of the bonds issue (excluding the issuance date) to 10 days before the maturity date, or on the day that the bondholders exercise the put option, or the fifth business day before the issuing company exercises its right of redemption (excluding the maturity date).

(c) The conversion price of the bonds is set up based on the pricing model specified in the terms of the bonds (the conversion price is $181.70 (in dollars) per share), and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. On June 14, 2026, the conversion price was $176.35 (in dollars) per share.

(d) Under the terms of the bond issuance and conversion, the bonds redeemed (including bonds repurchased from the secondary market), early redeemed, matured or the bonds converted and sold back by the bondholders will be cancelled and not to be re-issued.

B. Regarding the issuance of convertible bonds, the equity conversion options amounting to $185,303 were separated from the liability component and were recognised in 'capital surplus - share options' in accordance with IAS 32.

(15) Long-term loans

		June 30, 2026		
Type of loans	Period	Credit line	Interest rate	Amount
Mid-term borrowings (KGI Bank)	2024.12.5 ~2027.12.3	1,000,000	2.0381%	$ 800,000
Less: Long-term loans, current portion				(400,000)
				$ 400,000

		December 31, 2025		
Type of loans	Period	Credit line	Interest rate	Amount
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	$ 30,000,000	2.7484%	$ 6,027,317
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	30,000,000	2.7484%	6,027,317
Mid-term syndicated loans (note A)	2022.6.27 ~2027.6.27	24,000,000	2.2981%	10,000,000
Mid-term syndicated loans (note C)	2023.8.25 ~2028.8.25	20,000,000	2.2622%	8,240,000
Mid-term borrowings (Export-Import Bank of the Republic of China)	2023.4.24 ~2028.4.24	400,000	2.2178%	400,000
Mid-term borrowings (KGI Bank)	2024.12.5 ~2027.12.3	1,000,000	2.0381%	1,000,000
Mid-term borrowings (United Overseas Bank)	2021.3.17 ~2026.3.16	122,200	2%	7,938
Mid-term borrowings (United Overseas Bank)	2021.4.5 ~2026.4.4	122,200	2%	10,563
				31,713,135
Less: Long-term loans, current portion				(8,032,002)
				$ 23,681,133

Type of loans	Period	June 30, 2025 Credit line	Interest rate	Amount
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	$ 30,000,000	2.7484%	$ 7,890,692
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	30,000,000	2.7484%	7,890,692
Mid-term syndicated loans (note A)	2022.6.27 ~2027.6.27	24,000,000	2.2979%	3,000,000
Mid-term syndicated loans (note A)	2021.7.29 ~2026.7.29	12,000,000	2.2727%~ 2.2979%	6,000,000
Mid-term syndicated loans (note C)	2023.8.25 ~2028.8.25	20,000,000	2.2622%	19,440,000
Mid-term borrowings (Export-Import Bank of the Republic of China)	2023.4.24 ~2028.4.24	400,000	2.2178%	400,000
Mid-term borrowings (KGI Bank)	2024.12.5 ~2027.12.3	1,000,000	2.0375%	1,000,000
Mid-term borrowings (United Overseas Bank)	2021.3.17 ~2026.3.16	114,350	2%	22,146
Mid-term borrowings (United Overseas Bank)	2021.4.5 ~2026.4.4	114,350	2%	24,577
				45,668,107
Less: Long-term loans, current portion				(7,500,224)
				$ 38,167,883

A. On April 27, 2021, May 9, 2022 and July 15, 2025, the Group's Board of Directors resolved to sign syndicated loan agreements with a financial institution amounting to NT$12 billion, NT$24 billion and NT$36 billion, respectively. As stipulated in the syndicated loan agreements:

(a) Credit period: 5 years after the date of first drawdown of any credit line.

(b) Drawdown period: The day before 5 years after the date of first drawdown. However, maturity date of each borrowing shall not exceed the credit period. The borrower may apply for re-utilisation within the credit period 5 years after the date of first drawdown according to the capital situation. However, each drawdown must be fully repaid before the expiry of the credit period.

(c) Financial commitment: The borrower's consolidated financial statements shall maintain the following financial ratios and regulations:

i. Current ratio: Shall be at least 100%.

ii. Net debt ratio: Shall be no more than 250%.

iii. Interest coverage ratio shall be at least 200%.

The abovementioned financial ratios are reviewed semi-annually.

B. On January 31, 2024, the Group's Board of Directors resolved to sign a syndicated loan agreement with a financial institution amounting to NT$60 billion to support the acquisition of 100% equity interest in FUTURE ELECTRONICS INC. As stipulated in the syndicated loan agreement:

(a) Credit item and facility: The total credit facility is NT$60 billion.

(b) Credit period: 5 years after the date of first drawdown.

(c) Drawdown period: 5 years after the date of first drawdown. Maturity date of each borrowing shall not exceed the credit period.

(d) Financial commitments:

i. The borrower's consolidated financial statements shall maintain the following financial ratios and regulations:

(i) Current ratio: Shall be at least 100%.

(ii) Net debt ratio: Shall not be higher than 500% starting from the year ending December 31, 2024 and shall not be adjusted higher than 400% starting from the year ending December 31, 2026.

(iii) Interest coverage ratio shall be at least 200%.

The abovementioned financial ratios are reviewed semi-annually.

ii. The financial statements of FUTURE ELECTRONICS INC. shall maintain the following financial ratios and regulations, which shall be applicable from the report for the year beginning January 1, 2024:

(i) Current ratio: Shall be at least 100%.

(ii) Debt ratio: Shall not be more than 100%.

(iii) Interest coverage ratio shall be at least 200%.

(iv) Net assets shall be at least US$2.4 billion.

The abovementioned financial ratios are reviewed annually.

(e) Collateral:

The Group pledged 100% stocks of FUTURE ELECTRONICS INC. as the collateral.

C. On August 2, 2023, the Group's Board of Directors resolved to sign a syndicated loan agreement with a financial institution amounting to NT$20 billion. As stipulated in the syndicated loan agreement:

(a) Credit period: 5 years after the date of first drawdown.

(b) Drawdown period: The day before 5 years after the date of first drawdown. However, maturity date of each borrowing shall not exceed the credit period of each drawdown. The borrower may apply for re-utilisation from the date of first drawdown for 5 years according to the capital situation. However, each drawdown must be fully repaid before the expiry of the credit period.

(c) Financial commitments: The borrower's consolidated financial statements shall maintain the following financial ratios and regulations:

i. Current ratio: Shall be at least 100%.

ii. Net debt ratio: Shall be no more than 280%.

iii. Interest coverage ratio shall be at least 200%.

The abovementioned financial ratios are reviewed semi-annually.

D. The Group's financial ratios in the consolidated financial statements for the six months ended June 30, 2026 have met the required covenants under the abovementioned outstanding borrowing contract.

E. The Group's liquidity risk is provided in Note 12.

(16) Pensions

A. Defined benefit pension plan

(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

(b) For the aforementioned pension plan, the Group recognised pension costs of $485, $317, $943 and $604 for the three months and six months ended June 30, 2026 and 2025, respectively.

(c) Expected contributions to the defined benefit pension plan of the Group for the year ending December 31, 2027 amount to $3,309.

B. Defined contribution pension plan

(a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of

employment.

(b) The Company's subsidiaries in Mainland China have a defined contribution plan in accordance with the pension regulations in the People's Republic of China (PRC). These companies contribute monthly an amount based on 14%~16% of the employees' monthly salaries based on the employees' domiciles to their independent funds administered by the government. For the subsidiaries in Hong Kong, these companies and their employees each contribute monthly an amount equal to 5% of the employees' monthly salaries pursuant to the legislation in Hong Kong. Each fund is managed by the government. Except for the monthly contribution, these companies have no other obligation.

(c) The pension costs under the defined contribution pension plans of the Group for the three months and six months ended June 30, 2026 and 2025 were $189,072, $180,037, $380,537 and $357,073, respectively.

(17) Share-based payment

A. For the six months ended June 30, 2026 and 2025, the Group's share-based payment arrangements are as follows:

Type of arrangement	Grant date	Quantity granted	Vesting conditions
Restricted stocks to employees	2021.1.13	2,992 thousand shares	(a) and (b)
Employee stock options	2021.3.18	12,000 thousand shares	(c)
Restricted stocks to employees	2021.7.28	2,788 thousand shares	(a) and (b)
Employee stock options	2022.1.6	18,854 thousand shares	(c)
Cash capital increase by issuing common stock reserved for employee preemption	2023.11.15~ 2023.11.17	6,511 thousand shares	Vested immediately
Employee stock options	2024.10.23	22,849 thousand shares	(d)
Employee stock options	2025.11.4	1,870 thousand shares	(d)
Restricted stocks to employees	2025.11.14	4,334 thousand shares	(e) and (f)

(a) The vesting percentage for the employee who has rendered service to the Company since the grant date is 25% each year.

(b) The issued employee restricted shares before meeting the vesting conditions are subject to certain restrictions as follows:

i. Employee restricted shares cannot be sold, pledged, transferred, donated to others, set purposes or disposed in any other ways, except for inheritance.

ii. The rights to attend, propose, speak and vote at the shareholders meeting are the same as the issued common stock of the Company and are implemented in accordance with the trust custody contract.

iii. Other rights including but not limited to dividends, distribution rights of legal reserve and capital surplus and share options of cash capital increase, etc. are the same as the Company's issued common stock, do not need to be kept in trust and are not restricted by the vesting period.

(c) Employees can exercise 50%, 25% and 25% of their option after 2 years, 3 years and 4 years from the grant date of employee stock options, respectively.

(d) Employees can exercise 30%, 30% and 40% of their option after 2 years, 3 years and 4 years from the grant date of employee stock options, respectively.

(e) The vesting percentage is 25% each year of service following the grant date, subject to achieving the Company's operational performance targets. The aforementioned operational performance targets are based on the Company's audited consolidated financial statements for the fiscal year preceding each vesting date, and require meeting at least one of the following two conditions:

i. The Company's earnings per share (EPS) is not less than NT$5.

ii. The Company's earnings per share (EPS) is not less than the average EPS of three comparable industry peers for the same period.

(f) The issued employee restricted shares before meeting the vesting conditions are subject to certain restrictions as follows:

i. Employee restricted shares cannot be sold, pledged, transferred, donated to others, set purposes or disposed in any other ways.

ii. The rights to attend, propose, speak and vote at the shareholders meeting are the same as the issued common stock of the Company and are implemented in accordance with the trust custody contract.

iii. Other rights including but not limited to dividends, distribution rights of legal reserve and capital surplus and share options of cash capital increase, etc. are the same as the Company's issued common stock, do not need to be kept in trust and are not restricted by the vesting period.

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

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility (%)	Expected option life (years)	Expected dividends	Risk-free interest rate (%)	Fair value per unit (in dollars)
Restricted stocks to employees	2021.1.13	$ 42.05	$ -	-	4	-	-	$ 42.05
Employee stock options	2021.3.18	$ 46.80	$ 46.80	18.44~18.46	4~5	-	0.31~0.34	$ 7.0985~$ 8.1307
Restricted stocks to employees	2021.7.28	$ 61.20	$ -	-	4	-	-	$ 58.0011
Employee stock options	2022.1.6	$ 75.40	$ 75.40	21.06~22.66	3.5~4.5	-	0.55~0.62	$ 13.2673~$ 14.2005
Cash capital increase by issuing common stock reserved for employee preemption	2023.11.15~2023.11.17	$ 114.00~$ 124.50	$ 95.00	-	-	-	-	$ 19.00~$ 29.50
Employee stock options	2024.10.23	$ 115.50	$115.50	34.85~36.43	4~5	-	1.42~1.44	$ 35.2252~$ 37.9548
Employee stock options	2025.11.4	$ 149.00	$149.00	36.76~39.04	4~5	-	1.18~1.19	$ 47.7175~$ 50.5730
Restricted stocks to employees	2025.11.14	$ 147.00	$ -	-	4	-	-	$ 147.00

C. Details of the stock options for the six months ended June 30, 2026 and 2025 are disclosed as follows:

	2026		
	No. of options (in thousands)	Weighted-average exercise price (in dollars)	Weighted-average remaining contractual period
Options outstanding at January 1	32,656	$ 97.06	
Options exercised	(5,158)	55.74	
Options forfeited	(268)	108.90	
Options outstanding at June 30	27,230	103.44	3.92 years
Options exercisable at June 30	3,375		

	2025		
	No. of options (in thousands)	Weighted-average exercise price (in dollars)	Weighted-average remaining contractual period
Options outstanding at January 1	38,240	$ 91.27	
Options exercised	(4,502)	52.64	
Options forfeited	(531)	79.32	
Options expired	(7)	62.20	
Options outstanding at June 30	33,200	96.44	4.19 years
Options exercisable at June 30	6,456		

D. The weighted-average stock price of stock options were $189.52 and $110.10 (in dollars) for the six months ended June 30, 2026 and 2025, respectively.

E. Details of the employee restricted shares for the six months ended June 30, 2026 and 2025 are disclosed as follows:

	2026	2025
	No. of shares (in thousands)	No. of shares (in thousands)
Shares outstanding at January 1	4,341	1,283
Shares redeemed at beginning of year but not yet forfeited	-	7
Shares vested	(2)	(656)
Shares forfeited	(2)	(24)
Shares redeemed, not yet forfeited	(24)	(9)
Shares outstanding at June 30	4,313	601

F. Compensation cost of share-based payment of $157,970, $75,993, $316,076 and $155,723 were recognised for the three months and six months ended June 30, 2026 and 2025, respectively.

(18) Share capital

As of June 30, 2026, the Company's authorised capital was $30,000,000, of which a portion may be issued as preferred stock, consisting of 3 billion shares (including 300 million shares reserved for employee stock options), and the paid-in capital was $12,691,483 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Common stock

A. Movements in the number of the Company's common stock (including certificate of entitlement to new shares from convertible bonds) outstanding are as follows:

	2026	2025
	Shares (in thousands)	Shares (in thousands)
At January 1	1,265,431	1,117,153
Employee stock options exercised	5,158	4,502
Cancellation of employee restricted shares	(2)	(24)
At June 30	1,270,587	1,121,631

B. For the six months ended June 30, 2026 and 2025, employees of the Company exercised employee stock options, which have been converted into 5,158 thousand and 4,502 thousand common stocks, respectively. There are still 1,438 thousand and 380 thousand common stocks that were recorded under 'certificate of entitlement to new shares from convertible bonds' because the change in registration has not yet been completed as of June 30, 2026 and 2025, respectively.

C. For the six months ended June 30, 2026 and 2025, the Company has retrieved 2 thousand and 24 thousand of employee restricted shares, respectively, for not satisfying vesting conditions, and the Company cancelled and retired the shares in accordance with the regulations.

Global depositary receipts

A. On February 29, 2024, the Company's Board of Directors resolved to increase capital by issuing common stock to participate in the issuance of the global depositary receipts to support the capital requirement for the purchases of materials in foreign currency. The capital increase was approved by the Financial Supervisory Commission on March 26, 2024 and 17,000 thousand units of global depositary receipts were issued at the Luxembourg Stock Exchange on April 12, 2024 at a price of US$20.08 (in dollars) per unit. The global depositary receipts represented 85,000 thousand shares of the Company's common stock. The amount after deducting issuance cost was US$337,497 thousand (NT$10,850,853 thousand). Each unit of the global depositary receipts represents 5 shares of the Company's common stocks.

B. On October 13, 2025, the Company's Board of Directors resolved to increase capital by issuing common stock to participate in the issuance of the global depositary receipts to support the capital requirement for the purchases of materials in foreign currency. The capital increase was approved by the Financial Supervisory Commission on November 12, 2025 and 18,000 thousand units of global depositary receipts were issued at the Luxembourg Stock Exchange on November 20, 2025 at a price of US$21.6 (in dollars) per unit. The global depositary receipts represented 90,000 thousand shares of the Company's common stock. The amount after deducting issuance cost was US$385,426 thousand (NT$12,040,678 thousand). Each unit of the global depositary receipts represents 5 shares of the Company's common stocks.

C. On March 31, 2026, the Company's Board of Directors resolved to increase capital by issuing common stock to participate in the issuance of the global depositary receipts. As of the date of approval and issuance of the financial statements on August 6, 2026, this matter has not yet been completed.

Preferred stock

On July 2, 2020, the Board of Directors resolved to increase the Company's capital in the amount of $6,750,000 by issuing 135 million shares of Class A preferred stocks with a par value of $10 (in dollars) per share issued at $50 (in dollars) per share. The capital injection was approved by the Financial Supervisory Commission on July 29, 2020, and the effective date was set on October 15, 2020. The rights and obligations of these outstanding preferred stocks are as follows:

A. Expiration date: The Company's Class A preferred stocks are perpetual. The shareholders of Class A preferred stocks cannot request the Company to retire the preferred stocks they hold but all or certain parts are callable at any time from the next day of five years after issuance at the actual issue price. The outstanding Class A preferred stocks sustained all the rights and obligations specified in the issuance terms. Dividends payable as of the redemption date shall be calculated based on the actual outstanding days if the Board of Directors resolved to distribute the current year's dividends.

B. Dividends: The Company's Class A preferred stocks have an original fixed dividend rate of 4% per annum. The dividend rate will be reset on the next business day following the completion of five years from the issuance date. The pricing effective date for the rate reset is two business days in Taipei financial industry prior to the IRS rate reset date (i.e., October 13, 2025). The five-year interest rate swap (IRS) rate is determined by the arithmetic average of the five-year IRS rates quoted on Reuters pages "TAIFXIRS" and "COSMOS3" at 11:00 a.m. (Taipei time) on the pricing effective date, which is 1.714%. A fixed markup of 3.3875%, established at issuance, is added to this rate. Therefore, the dividend rate is reset to 5.1015% per annum, effective from October 15, 2025.

C. Dividend distribution: Dividends of Class A preferred stocks are distributed once per year in the form of cash. The effective date for distributing previous year's distributable dividends will be set by the Board of Directors or the chairman who is authorised by the Board of Directors. Dividend distributions in the years of issuance and redemption are calculated based on the actual outstanding days. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating deficit and then set aside as legal reserve. Special reserve shall be set aside or reversed as required by regulations or the Competent Authority when necessary. The remainder, if any in the current year, can be distributed as dividends of preferred stocks in first priority.

   The Company has discretion in dividend distribution of Class A preferred stocks. The Company could choose not to distribute dividends of preferred stocks when resolved by the Board of Directors, which would not lead to default if the Company has no or has insufficient current year's earnings for distribution or has other considerations. In addition, the amounts of undistributed dividends or insufficient distributed dividends will not be deferred to future years when the Company has earnings.

D. Excess dividend distribution: Besides the aforementioned dividends, the shareholders of Class A preferred stocks could not participate in the distribution of cash and capitalised assets for common shares derived from earnings and capital surplus.

E. Residual property distribution: The shareholders of Class A preferred stocks have priority over shareholders of common stocks in distributing the Company's residual properties and have the same priority with other preferred stockholders of the Company, but behind the general creditor. In addition, the limit is the amount calculated by shares of outstanding preferred stocks issued and the issue price when distributing.

F. Right to vote and be elected: The shareholders of Class A preferred stocks have no right to vote and be elected as directors in the shareholders' meeting of the Company but have the right to vote at the shareholders' meetings of Class A preferred stocks and at the Company's shareholders' meetings only when there are matters unfavourable to the rights and obligations of the Class A preferred shareholders.

G. Conversion to common shares: Class A preferred stocks could not be converted to common shares.

H. The preemptive rights for shareholders of Class A preferred stocks are the same as of common shareholders when the Company increases its capital by issuing new shares.

I. Capital surplus arising from premium issuance of Class A preferred stocks can be used to offset against accumulated deficit but cannot be capitalised during the issuance period.

On October 13, 2025, the Company's Board of Directors resolved to authorise the Chairman with full authority to handle and determine matters including, but not limited to, the record date for capital reduction through cancellation, the redemption record date and delisting date, the payment date, and the dividends payable. On January 15, 2026, the Chairman approved the full redemption of all Class A preferred shares. February 26, 2026 was designated as the maturity redemption date and delisting date. The registration was approved by the Ministry of Economic Affairs on March 23, 2026, and has been completed.

(19) Capital surplus

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

	2026					
	Share premium	Employee stock options	Stock options	Restricted stocks to employees	Net change in equity of associates and subsidiaries	Total
At January 1	$65,216,204	$ 439,238	$185,303	$594,078	$ 12,590	$ 66,447,413
Capital injection	(14,193)	-	-	-	-	(14,193)
Redemption of preferred stock	(5,400,000)	-	-	-	-	(5,400,000)
Cancellation of employee restricted shares	-	-	-	15	-	15
Changes in ownership interests in subsidiaries	-	-	-	-	6,302	6,302
Employee stock options exercised	304,352	(69,489)	-	-	-	234,863
Compensation cost of share-based payments	-	155,696	-	-	-	155,696
At June 30	$60,106,363	$ 525,445	$185,303	$594,093	$ 18,892	$ 61,430,096

	2025				
	Share premium	Employee stock options	Restricted stocks to employees	Net change in equity of associates and subsidiaries	Total
At January 1	$ 47,381,597	$ 226,089	$ 51,030	$ 14,768	$ 47,673,484
Vesting of employee restricted shares	21,105	-	(21,105)	-	-
Cancellation of employee restricted shares	-	-	245	-	245
Changes in ownership interests in subsidiaries	-	-	-	(1,983)	(1,983)
Changes in restricted stocks to employees	-	-	(436)	-	(436)
Employee stock options exercised	242,454	(50,525)	-	-	191,929
Compensation cost of share-based payments	-	141,244	-	-	141,244
At June 30	$ 47,645,156	$ 316,808	$ 29,734	$ 12,785	$ 48,004,483

(20) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay taxes and offset accumulated losses; and set aside a legal reserve at 10% of such remaining earnings, until the accumulated legal reserve has equaled the total paid-in capital of the Company; then, set aside a special reserve in accordance with applicable laws or regulations of the competent authority. Residual earnings (distributable earnings in the current year) plus undistributed earnings at the beginning of the period is the accumulated retained earnings, which shall first be distributed as dividends to holders of Preferred Stocks, and distribution of such earnings shall be submitted by the Board of Directors to the shareholders' meeting for approval.

B. In accordance with Article 240 of the Company Act, the Board of Directors is authorised, upon resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, to distribute dividends and bonus of all or part of the legal reserve and capital surplus in the form of cash based on the regulations specified in Article 241 of the Company Act which shall be reported to the shareholders during their meeting. Said distribution is not subject to the regulation which requires that the distribution shall be resolved by the shareholders during their meeting.

C. The Company's dividend policy is regulated by the Board of Directors taking into consideration the Company's operations, future investment plans, capital budget and internal/external situations. As the Company is in the growth stage, most of retained earnings will be used to support business development and investment requirements and consequently, the minimum cash dividend and extra dividend policy is adopted by the Company. The Company's dividend policy is summarised below:

   At least 40% of the Company's distributable earnings of the current year shall be appropriated as stock dividends and cash dividends, taking into account profits in the future and capital needs, and cash dividends shall account for at least 10% of the total dividends distributed. In the event the total earnings appropriation exceeds 30% of the Company's paid-in capital before appropriation, cash dividends shall account for at least 20% of the total dividends distributed.

D. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

E. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

F. According to the resolutions adopted by the shareholders during their meetings in May 2026 and May 2025, the distribution information of the Company's 2025 and 2024 earnings, respectively, is as follows:

	Years ended December 31,			
	2025		2024	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 1,417,572		$ 1,387,290	
Special reserve	1,737,516		-	
Dividends on preferred stock	285,889	$ 2.118	270,000	$ 2.000
Cash dividends of common stockholders	9,899,357	7.800	6,727,486	6.000
	$ 13,340,334		$ 8,384,776	

Information on the appropriation of the Company's earnings as approved by the shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(21) Other equity items

	Unrealised gains (losses) on valuation	Currency translation	Others	Total
At January 1, 2026	$ 1,883,199	($ 1,805,357)	($ 1,815,358)	($ 1,737,516)
Valuation adjustment on equity instruments:				
– Group	1,736,835	-	-	1,736,835
– Associates	1,667,126	-	-	1,667,126
Disposals reclassified as retained earnings	(674)	-	-	(674)
Currency translation differences:				
– Group	-	2,905,052	-	2,905,052
– Associates	-	9,675	-	9,675
Compensation cost of share-based payments				
– Group	-	-	195,151	195,151
– Associates	-	-	8,655	8,655
At June 30, 2026	$ 5,286,486	$ 1,109,370	($ 1,611,552)	$ 4,784,304

	Unrealised gains (losses) on valuation	Currency translation	Others	Total
At January 1, 2025	$ 6,160,479	$ 6,904,386	($ 2,154,906)	$ 10,909,959
Valuation adjustment on equity instruments:				
– Group	(378,011)	-	-	(378,011)
– Associates	(413)	-	-	(413)
Currency translation differences:				
– Group	-	(22,573,357)	-	(22,573,357)
– Associates	-	415	-	415
Changes in employee restricted shares	-	-	436	436
Changes in redemption liability recognised as other equity	-	-	984,441	984,441
Compensation cost of share-based payments	-	-	4,017	4,017
At June 30, 2025	$ 5,782,055	($ 15,668,556)	($ 1,166,012)	($ 11,052,513)

(22) Non-controlling interests

	2026	2025
At January 1	$ 275,288	$ 987,714
Shares attributable to non-controlling interest:		
(Loss) gain for the period	(1,778)	13,858
Decrease in non-controlling interests	(15,420)	(648,409)
Comprehensive income for the period:		
Exchange differences on translation of foreign financial statements	10,571	(103,668)
Unrealised loss from financial assets at fair value through other comprehensive income	-	(319)
At June 30	$ 268,661	$ 249,176

A. In 2025, the Group redeemed the remaining 20% equity interest of WT SEMICONDUCTOR HOLDINGS PTE. LTD. in cash from minority shareholders, resulting in a decrease in non-controlling interest. Refer to Note 4(3) for details.

B. During the six months ended June 30, 2025, the Company's subsidiary, BRILLNICS INC., exercised employee stock options, which resulted to an increase in the non-controlling interest. Refer to Note 4(3) for details.

(23) Operating revenue

	Three months ended June 30,	
Contract revenue	2026	2025
Sales of electronic components	$ 590,474,178	$ 259,305,630
Services revenue	218,790	194,379
Other operating revenue	730	3,341
	$ 590,693,698	$ 259,503,350

	Six months ended June 30,	
Contract revenue	2026	2025
Sales of electronic components	$ 1,084,669,335	$ 506,553,394
Services revenue	295,872	370,301
Other operating revenue	1,411	4,112
	$ 1,084,966,618	$ 506,927,807

A. The Group derives revenue from the transfer of goods at a point in time and services over time in the following major products:

	Three months ended June 30,	
	2026	2025
Timing of revenue recognition		
At a point in time		
Digital computing integrated circuit	$ 281,251,385	$ 74,603,513
Application-specific standard product	166,247,767	105,915,994
Analog, memories and others	142,975,756	78,789,464
Over time		
Services	218,790	194,379
	$ 590,693,698	$ 259,503,350

	Six months ended June 30,	
	2026	2025
Timing of revenue recognition		
At a point in time		
Digital computing integrated circuit	$ 524,856,585	$ 132,807,368
Application-specific standard product	311,052,546	214,961,195
Analog, memories and others	248,761,615	158,788,943
Over time		
Services	295,872	370,301
	$ 1,084,966,618	$ 506,927,807

To enhance management efficiency, the Group has adjusted the disclosure of product classifications starting from the first quarter of 2026.

B. The Group has recognised the following revenue-related contract liabilities and refund liabilities for estimated sales discounts:

	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Refund liabilities -sales discounts and returns	$ 1,114,484	$ 1,727,634	$ 1,515,566	$ 1,572,327
Contract liabilities -advance sales receipts	$ 35,950,078	$ 3,964,998	$ 780,582	$ 1,132,253

C. Revenue recognised that was included in the contract liability balance at the beginning of the period:

	Three months ended June 30,	
	2026	2025
Revenue recognised that was included in the contract liability balance at the beginning of the period	$ 346,129	$ 75,323

	Six months ended June 30,	
	2026	2025
Revenue recognised that was included in the contract liability balance at the beginning of the period	$ 935,572	$ 598,057

(24) Interest income

	Three months ended June 30,	
	2026	2025
Interest income from bank deposits	$ 287,131	$ 201,849
Other interest income	563	4,426
	$ 287,694	$ 206,275

	Six months ended June 30,	
	2026	2025
Interest income from bank deposits	$ 528,304	$ 348,624
Other interest income	1,177	7,058
	$ 529,481	$ 355,682

(25) Other income

	Three months ended June 30,	
	2026	2025
Grant revenue	$ 121,656	$ 126,265
Dividend income	18,394	143,520
Other income	65,410	27,745
	$ 205,460	$ 297,530

	Six months ended June 30,	
	2026	2025
Grant revenue	$ 185,495	$ 126,964
Dividend income	27,461	152,548
Other income	97,772	66,747
	$ 310,728	$ 346,259

(26) Other gains and losses

	Three months ended June 30,	
	2026	2025
(Loss) gain on disposal of property, plant and equipment	($ 3,234)	$ 4,032
Foreign exchange gain, net	36,854	101,579
Gain (loss) on financial assets and liabilities at fair value through profit or loss	217,194	(210,105)
Other gains (losses)	56,077	(28,930)
	$ 306,891	($ 133,424)

	Six months ended June 30,	
	2026	2025
(Loss) gain on disposal of property, plant and equipment	($ 2,888)	$ 3,302
Foreign exchange (loss) gain, net	(43,889)	299,095
Gain (loss) on financial assets and liabilities at fair value through profit or loss	313,924	(328,392)
Other losses	(97,522)	(61,594)
	$ 169,625	($ 87,589)

(27) Finance costs

	Three months ended June 30,	
	2026	2025
Interest expense:		
Bank borrowings	$ 879,500	$ 685,575
Convertible bonds	77,251	-
Others	35,909	26,198
Financing charges on accounts receivable factoring	844,786	317,984
Other finance costs	37,824	44,804
	$ 1,875,270	$ 1,074,561

	Six months ended June 30,	
	2026	2025
Interest expense:		
Bank borrowings	$ 1,627,010	$ 1,451,597
Convertible bonds	153,069	-
Others	66,519	54,936
Financing charges on accounts receivable factoring	1,239,944	761,870
Other finance costs	75,957	115,703
	$ 3,162,499	$ 2,384,106

(28) Expenses by nature

	Three months ended June 30,	
	2026	2025
Employee benefit expense	$ 5,134,498	$ 4,537,797
Depreciation	$ 304,519	$ 275,580
Amortisation	$ 130,367	$ 128,599

	Six months ended June 30,	
	2026	2025
Employee benefit expense	$ 10,170,239	$ 9,301,554
Depreciation	$ 597,730	$ 576,143
Amortisation	$ 258,160	$ 239,289

(29) Employee benefit expense

	Three months ended June 30,	
	2026	2025
Employee benefit expense		
Wages and salaries	$ 4,564,857	$ 4,004,565
Labour and health insurance fees	115,359	106,926
Pension costs	189,557	180,354
Other personnel expenses	264,725	245,952
Total (shown as 'Operating expenses')	$ 5,134,498	$ 4,537,797

	Six months ended June 30,	
	2026	2025
Employee benefit expense		
Wages and salaries	$ 9,040,826	$ 8,227,590
Labour and health insurance fees	229,038	213,372
Pension costs	381,480	357,677
Other personnel expenses	518,895	502,915
Total (shown as 'Operating expenses')	$ 10,170,239	$ 9,301,554

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 0.5%~5% for employees' compensation, of which at least 10% shall be allocated to frontline employees, and the ratio shall not be higher than 3% for directors' remuneration.

B. For the three months and six months ended June 30, 2026 and 2025, employees' compensation was accrued at $104,300, $30,440, $194,900 and $68,240, respectively; while directors' remuneration was accrued at $13,500, $11,250, $27,000 and $22,500, respectively. The aforementioned amounts were recognised in salary expenses. The employees' compensation and directors' remuneration were estimated and accrued based on distributable profit of current year for the six months ended June 30, 2026 and 2025.

Employees' compensation and directors' remuneration for 2025 as resolved by the Board of Directors were in agreement with those amounts recognised in profit or loss for 2025.

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

(30) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended June 30,	
	2026	2025
Current tax:		
Current tax on profit for the period	$ 2,456,440	$ 1,152,188
Tax on undistributed surplus earnings	-	274,406
Prior year income tax (over) under estimation	(4,568)	11,230
Total current tax	2,451,872	1,437,824
Deferred tax:		
Origination and reversal of temporary differences	59,986	(320,016)
Impact of change in tax rate	(9,733)	(6,141)
Total deferred tax	50,253	(326,157)
Income tax expense	$ 2,502,125	$ 1,111,667

	Six months ended June 30,	
	2026	2025
Current tax:		
Current tax on profit for the period	$ 4,116,639	$ 2,067,939
Tax on undistributed surplus earnings	41,769	274,406
Prior year income tax under estimation	1,196	11,415
Total current tax	4,159,604	2,353,760
Deferred tax:		
Origination and reversal of temporary differences	379,363	(446,321)
Impact of change in tax rate	(9,733)	(6,141)
Total deferred tax	369,630	(452,462)
Income tax expense	$ 4,529,234	$ 1,901,298

B. The income tax of WT MICROELECTRONICS CO., LTD., MAXTEK TECHNOLOGY CO., LTD. and HONGTECH ELECTRONICS CO., LTD. have been assessed and approved by the Tax Authority up to the year 2023. The income tax of MORRIHAN INTERNATIONAL CORP., NUVISION TECHNOLOGY INC. and BRILLNICS (TAIWAN) INC. have been assessed and approved by the Tax Authority up to the year 2024.

C. The Group has applied the exception to the requirements to recognise and disclose information on deferred tax assets and liabilities related to Pillar Two income taxes.

D. For the Group's certain subsidiaries registered in Singapore, the Group recognised current income tax expense related to Pillar Two income taxes amounting to $232,109 and $139,418 for the six months ended June 30, 2026 and 2025, respectively.

E. The Group's exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:

The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). The Pillar Two legislation was enacted in Canada, the European Union and South Korea, which will take effect from fiscal year of 2024. For certain subsidiaries registered in Singapore, substantive local legislation has been enacted and take effect in the fiscal year 2025.

Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Group has taken into account the complexities in applying the legislation and calculating GloBE income as well as the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12. This assessment indicates that for companies registered in Canada, Europe, South Korea, etc., the average effective tax rate based on accounting profit is over 15% for the six months ended June 30, 2026 and 2025. For the subsidiaries in Singapore, the average effective tax rate based on accounting profit did not exceed 15% for the six months ended June 30, 2026 and 2025. The Group has no related significant current tax exposure as of June 30, 2026 and 2025.

The Group has applied the amendments to IAS 12, 'Income tax' issued on May 23, 2023 and applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

(31) Earnings per share

	Three months ended June 30, 2026		
	Amount after tax	Weighted average number of common stock outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to shareholders of the parent	$ 9,712,906	1,265,311	$ 7.68
Diluted earnings per share			
Profit attributable to shareholders of the parent	9,712,906	1,265,311	
Assumed conversion of all dilutive potential common stock:			
Convertible bonds	77,251	62,061	
Restricted stocks to employees	-	2,377	
Employee stock options	-	12,605	
Employees' compensation	-	487	
Profit used to calculate diluted earnings per share attributable to shareholders of the parent plus assumed conversion of all dilutive potential common stock	$ 9,790,157	1,342,841	$ 7.29

	Three months ended June 30, 2025		
	Amount after tax	Weighted average number of common stock outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to shareholders of the parent	$ 2,830,135		
Less: Dividends of preferred stock	(270,000)		
Profit used to calculate basic earnings per share	$ 2,560,135	1,120,747	$ 2.28
Diluted earnings per share			
Profit attributable to shareholders of the parent	$ 2,830,135		
Less: Dividends of preferred stock	(270,000)		
Profit used to calculate diluted earnings per share	2,560,135	1,120,747	
Assumed conversion of all dilutive potential common stock:			
Restricted stocks to employees	-	594	
Employee stock options	-	6,054	
Employees' compensation	-	188	
Profit used to calculate diluted earnings per share attributable to shareholders of the parent plus assumed conversion of all dilutive potential common stock	$ 2,560,135	1,127,583	$ 2.27

	Six months ended June 30, 2026		
	Amount after tax	Weighted average number of common stock outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to shareholders of the parent	$ 16,722,070		
Less: Dividends of preferred stock	(285,889)		
Profit used to calculate basic earnings per share	$ 16,436,181	1,264,424	$ 13.00
Diluted earnings per share			
Profit attributable to shareholders of the parent	$ 16,722,070		
Less: Dividends of preferred stock	(285,889)		
Profit used to calculate diluted earnings per share	16,436,181	1,264,424	
Assumed conversion of all dilutive potential common stock:			
Convertible bonds	153,069	62,061	
Restricted stocks to employees	-	2,098	
Employee stock options	-	12,855	
Employees' compensation	-	1,188	
Profit used to calculate diluted earnings per share attributable to shareholders of the parent plus assumed conversion of all dilutive potential common stock	$ 16,589,250	1,342,626	$ 12.36

	Six months ended June 30, 2025		
	Amount after tax	Weighted average number of common stock outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to shareholders of the parent	$ 5,537,099		
Less: Dividends of preferred stock	(270,000)		
Profit used to calculate basic earnings per share	$ 5,267,099	1,119,658	$ 4.70
Diluted earnings per share			
Profit attributable to shareholders of the parent	$ 5,537,099		
Less: Dividends of preferred stock	(270,000)		
Profit used to calculate diluted earnings per share	5,267,099	1,119,658	
Assumed conversion of all dilutive potential common stock:			
Restricted stocks to employees	-	656	
Employee stock options	-	6,502	
Employees' compensation	-	802	
Profit used to calculate diluted earnings per share attributable to shareholders of the parent plus assumed conversion of all dilutive potential common stock	$ 5,267,099	1,127,618	$ 4.67

(32) Supplemental cash flow information

A. Cash paid for property, plant and equipment:

	Six months ended June 30,	
	2026	2025
Purchase of property, plant and equipment	$ 281,133	$ 268,123
Add: Opening balance of payable on equipment	2,719	8,928
Less: Ending balance of payable on equipment	(2,413)	(5,489)
Opening balance of prepayments for business facilities	-	(144)
Effect of foreign exchange	(33)	(17)
Cash paid during the period	$ 281,406	$ 271,401

B. Financing activities with no cash flow effects

	Six months ended June 30,	
	2026	2025
Earnings appropriation and cash dividend distribution	$ 10,185,246	$ 6,997,486
Dividends payable	(10,185,246)	(6,997,486)
Cash paid during the period	$ -	$ -

C. Transactions with non-controlling interests:

	Six months ended June 30, 2025
Acquiring equity interests of subsidiaries	$ 985,795

(33) Changes in liabilities from financing activities

	Long-term and short-term borrowings (Note)	Short-term notes and bills payable	Lease liability	Bonds payable	Liabilities from financing activities-gross
At January 1, 2026	$ 57,282,365	$ 1,699,092	$ 1,953,504	$ 10,701,899	$ 71,636,860
Changes in cash flow from financing activities	(3,513,672)	(1,705,470)	(365,570)	-	(5,584,712)
Impact of changes in foreign exchange rate	156,851	-	19,350	-	176,201
Interest expense from amortisation	-	6,378	-	153,069	159,447
Other non-cash changes	-	-	(24,715)	-	(24,715)
Increase in lease liability	-	-	56,835	-	56,835
At June 30, 2026	$ 53,925,544	$ -	$ 1,639,404	$ 10,854,968	$ 66,419,916

	Long-term and short-term borrowings (Note)	Short-term notes and bills payable	Lease liability	Liabilities from financing activities-gross
At January 1, 2025	$ 98,852,387	$ 1,598,968	$ 1,960,563	$ 102,411,918
Changes in cash flow from financing activities	(18,620,976)	(219,698)	(364,562)	(19,205,236)
Impact of changes in foreign exchange rate	(1,125,684)	-	(146,643)	(1,272,327)
Interest expense from amortisation	-	19,061	-	19,061
Increase in lease liability	-	-	24,431	24,431
At June 30, 2025	$ 79,105,727	$ 1,398,331	$ 1,473,789	$ 81,977,847

Note: Including current portions of long-term loans.

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
JCD OPTICAL CORPORATION LIMITED	Associate
SHAO YANG INVESTMENT CO., LTD.	Other related party
WEN-YOU INVESTMENT CO., LTD.	Other related party
TANG YE INVESTMENT CO., LTD.	Other related party
SHAO CHENG INVESTMENT CO., LTD.	Other related party
NICHIDENBO CORPORATION and Subsidiaries	Associate
WPG HOLDINGS LIMITED and Subsidiaries	Entity with significant influence over the Group
ASUSTEK COMPUTER INC. and Subsidiaries	Entity with significant influence over the Group
ALBERT PHUAY	Director of the Subsidiary of the Group

(2) Significant related party transactions

A. Operating revenue

	Three months ended June 30,	
	2026	2025
Sales of goods:		
- Entity with significant influence over the Group	$ 1,120,421	$ 1,350,324
- Associates	-	868
	$ 1,120,421	$ 1,351,192

	Six months ended June 30,	
	2026	2025
Sales of goods:		
- Entity with significant influence over the Group	$ 2,290,401	$ 2,610,550
- Associates	-	868
	$ 2,290,401	$ 2,611,418

The collection terms with related parties were 30 to 120 days after the end of next month and the products were categorised and priced taking into consideration the inventory cost, market and other conditions.

B. Purchases

	Three months ended June 30,	
	2026	2025
Purchases of goods:		
- Entity with significant influence over the Group	$ 353,998	$ 314,137
- Associates	332	-
	$ 354,330	$ 314,137

	Six months ended June 30,	
	2026	2025
Purchases of goods:		
- Entity with significant influence over the Group	$ 745,994	$ 588,185
- Associates	664	-
	$ 746,658	$ 588,185

The credit term to related parties is 30 to 45 days after the end of the following month and the purchase prices were categorised and priced taking into consideration the market prices and other conditions.

C. Receivables from related parties

	June 30, 2026	December 31, 2025	June 30, 2025
Accounts receivable:			
- Entity with significant influence over the Group	$ 837,478	$ 1,124,674	$ 873,440
- Associates	-	-	821
	$ 837,478	$ 1,124,674	$ 874,261

D. Payables to related parties

	June 30, 2026	December 31, 2025	June 30, 2025
Accounts payable:			
- Entity with significant influence over the Group	$ 94,200	$ 64,033	$ 77,598

E. Other payables to related parties

	June 30, 2026	December 31, 2025	June 30, 2025
Dividends payable:			
- Other related parties	$ 832,340	$ -	$ 640,456

F. Property transactions

Acquisition of financial assets:

		No. of shares		Six months ended June 30, 2025
	Accounts	(in thousands)	Objects	Consideration
ALBERT PHUAY	Investments accounted for using equity method	24,080	Stocks	$ 985,795

The Group acquired 20% equity interest of WT SEMICONDUCTOR HOLDINGS PTE. LTD. in the amount of US$30,082 thousand from the non-controlling equity shareholders in February 2025. Refer to Note 4(3) for details.

(3) Key management compensation

	Three months ended June 30,	
	2026	2025
Salaries and other short-term employee benefits	$ 79,447	$ 90,782
Post-employment benefits	194	160
Share-based payment	33,162	23,657
	$ 112,803	$ 114,599

	Six months ended June 30,	
	2026	2025
Salaries and other short-term employee benefits	$ 179,468	$ 185,821
Post-employment benefits	402	319
Share-based payment	66,110	40,396
	$ 245,980	$ 226,536

8. PLEDGED ASSETS

As of December 31, 2025 and June 30, 2025, the Company used its holdings of subsidiary shares as collateral for the acquisition syndicated loan. Refer to Note 6(15) for details. This acquisition syndicated loan was fully repaid in advance in March 2026.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A. Outstanding letters of credit

The outstanding letters of credit for the purchase of inventories by the Group are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Outstanding letters of credit	$ 19,006,947	$ 8,243,134	$ 7,529,548

B. Guarantee for customs duties

The total guarantee for customs duties is as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Customs duties guarantee	$ 65,000	$ 33,000	$ 35,000

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

(1) On August 6, 2026, the Group's Board of Directors resolved that the Group's subsidiary, FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD., leases land from the Statutory boards of the Singapore Government, JTC Corporation, for the construction of warehouses and corporate offices. The lease term is tentatively set to commence on March 1, 2027, for a period of 33 years. The upper limit of the total contract price for the authorised transaction is SGD 30,000 thousand. In addition, the contract is expected to be signed by the end of 2026.

(2) On August 6, 2026, the Group's Board of Directors resolved to purchase land from HSIN JUNG TEXTILE INDUSTRY CO., LTD. for the construction of bonded logistics centers. The total transaction amount was $1,603,600.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the financial debt ratio. This ratio is calculated as total liabilities with interests divided by total net assets. Total liabilities with interest is calculated as total amount of long-term and short-term borrowings, short-term bills payable and corporate bonds payable in the consolidated balance sheet. Total equity is calculated as the 'equity' in the consolidated balance sheet.

For the six months ended June 30, 2026 and 2025, the Group's strategy was to maintain the financial debt ratio below 250%.

(2) Financial instruments

A. Financial instruments by category

	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	$ 619,429	$ 392,538	$ 389,174
Financial assets designated as at fair value through profit or loss on initial recognition	6,987	5,912	4,927
	$ 626,416	$ 398,450	$ 394,101
Financial assets at fair value through other comprehensive income			
Designation of equity instruments	$ 8,139,776	$ 6,429,058	$ 11,656,460
Qualifying debt instruments	212,443,317	67,619,449	26,596,439
	$ 220,583,093	$ 74,048,507	$ 38,252,899
Financial assets at amortised cost			
Cash and cash equivalents	$ 37,148,920	$ 28,138,755	$ 26,913,935
Accounts receivable, net	136,668,955	102,398,927	103,575,903
Other receivables	7,612,417	3,713,296	2,796,409
Other financial assets (shown as 'other current assets')	459,254	435,560	487,253
Guarantee deposits paid (shown as 'other non-current assets')	376,536	158,621	153,997
	$ 182,266,082	$ 134,845,159	$ 133,927,497

	June 30, 2026	December 31, 2025	June 30, 2025
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	$ 19,735	$ 22,616	$ 6,640
Financial liabilities at amortised cost			
Short-term borrowings	$ 53,125,544	$ 25,569,230	$ 33,437,620
Short-term notes and bills payable	-	1,699,092	1,398,331
Accounts payable	557,091,839	317,278,361	213,689,693
Other accounts payable	17,328,819	6,877,329	12,612,009
Bonds payable (including current portion)	10,854,968	10,701,899	-
Long-term loans (including current portion)	800,000	31,713,135	45,668,107
Guarantee deposits received (shown as 'other non-current liabilities')	7,618	7,574	7,002
	$ 639,208,788	$ 393,846,620	$ 306,812,762
Lease liability	$ 1,639,404	$ 1,953,504	$ 1,473,789

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risks (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts, are used to hedge certain exchange rate risk. In addition, foreign exchange risk is managed by matching the payment periods of foreign currency assets and liabilities.

(b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

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

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries in various functional currencies, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.

iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).

iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other subsidiaries' functional currency: USD, SGD, RMB and KRW). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	June 30, 2026				
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity analysis	
				Degree of variation	Effect on profit or loss
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	9,891,600	31.865	$315,195,847	1%	$ 3,151,958
SGD:USD	24,891	0.773	613,319	1%	6,133
RMB:USD	744,171	0.147	3,489,863	1%	34,899
EUR:USD	167,358	1.141	6,083,446	1%	60,834
Foreign operations					
USD:NTD	4,676,037	31.865	149,001,907		
Financial liabilities					
Monetary items					
USD:NTD	11,498,480	31.865	366,399,061	1%	3,663,991
USD:RMB	160,031	6.795	5,099,375	1%	50,994
USD:KRW	35,348	1,544.2	1,126,357	1%	11,264
EUR:USD	89,757	1.141	3,262,683	1%	32,627

	December 31, 2025				
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity analysis Degree of variation	Sensitivity analysis Effect on profit or loss
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	4,415,998	31.375	$138,551,937	1%	$ 1,385,519
USD:KRW	13,011	1,433.9	408,220	1%	4,082
USD:RMB	7,585	6.994	237,979	1%	2,380
RMB:USD	613,554	0.143	2,752,342	1%	27,523
EUR:USD	151,100	1.177	5,581,634	1%	55,816
Foreign operations					
USD:NTD	4,793,563	31.375	150,398,048		
Financial liabilities					
Monetary items					
USD:NTD	5,247,290	31.375	164,633,724	1%	1,646,337
USD:RMB	199,652	6.994	6,264,082	1%	62,641
USD:KRW	19,953	1,433.9	626,025	1%	6,260
RMB:USD	25,408	0.143	113,978	1%	1,140
EUR:USD	62,235	1.177	2,298,961	1%	22,990

	June 30, 2025				
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity analysis Degree of variation	Sensitivity analysis Effect on profit or loss
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	4,534,393	29.155	$132,200,228	1%	$ 1,322,002
USD:KRW	14,594	1,357.6	425,488	1%	4,255
RMB:USD	561,583	0.139	2,282,891	1%	22,829
EUR:USD	157,371	1.172	5,375,793	1%	53,758
Foreign operations					
USD:NTD	4,614,770	29.155	135,598,563		
Financial liabilities					
Monetary items					
USD:NTD	5,442,845	29.155	158,686,146	1%	1,586,861
USD:RMB	34,624	7.172	1,009,463	1%	10,095
USD:KRW	35,208	1,357.6	1,026,489	1%	10,265
EUR:USD	65,598	1.172	2,240,828	1%	22,408

v. The total exchange gain (loss), including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group for the three months and six months ended June 30, 2026 and 2025 amounted to $36,854, $101,579, ($43,889) and $299,095, respectively.

Price risk

i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is performed in accordance with the limits set by the Group.

ii. The Group's investments comprise shares and beneficiary certificates issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the six months ended June 30, 2026 and 2025 would have increased/decreased by $4,816 and $2,774, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $81,398 and $116,565, respectively, as a result of other comprehensive income on equity investment classified as at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group's main interest rate risk arises from bank borrowings with variable rates and advance receipt of factoring accounts receivable, which expose the Group to cash flow interest rate risk. During the six months ended June 30, 2026 and 2025, the Group's borrowings at variable rate were mainly denominated in US Dollars.

ii. The Group's borrowings are measured at amortised cost. According to the contract, the interest rate is annually reset. Therefore, the Group is exposed to the risk of future changes in market interest rates.

iii. If the borrowing interest rate had increased/decreased by 25 basis points with all other variables held constant, profit, net of tax for the six months ended June 30, 2026 and 2025 would have decreased/increased by $54,910 and $81,237, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. The Group manages its credit risk from the group's perspective. For banks and financial institutions, only parties approved by the FSC are accepted to be transaction parties. According to the credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. The Group assesses the credit quality of the customers, taking into account their financial position, past experience and other factors through internal risk control. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. If the contract payments were past due over 90 days based on the terms, the Group considers that there has been a significant increase in credit risk on that instrument since initial recognition. The Group considers that the default occurs when the contract payments are past due over 180 days.

iv. The ageing analysis of accounts receivable (including overdue receivables) and notes receivable is as follows:

	Notes and accounts receivable		
	June 30, 2026	December 31, 2025	June 30, 2025
Not past due	$ 335,399,513	$ 158,372,346	$ 118,717,792
Up to 90 days	13,733,030	11,492,474	11,272,289
91 to 180 days	261,234	893,372	537,320
Over 180 days	1,124,002	649,713	578,675
	$ 350,517,779	$ 171,407,905	$ 131,106,076

(i) The above ageing analysis was based on days past due.

(ii) Abovementioned notes receivable are not past due.

After the recourse procedure, the Group will write off the amount of financial assets that cannot reasonably be expected to be recovered, however the Group will continue to carry out recourse legal procedures to preserve the creditor's rights.

v. The Group assesses the expected credit losses of its accounts receivable as follows:

(i) Accounts receivable that are significantly past due are assessed individually for their expected credit losses;

(ii) The remaining receivables are segmented according to the Group's credit ratings of its customers. Different loss rates or provision matrices are applied to the different segments when estimating expected credit losses;

(iii) Loss rates, calculated from historical and current information, are adjusted according to forward-looking information such as the business indicators published by the National Development Council.

(iv) As of June 30, 2026, December 31, 2025 and June 30, 2025, loss allowances of accounts receivable and notes receivable calculated from individual assessment or using the loss rate methodology and provision matrix are as follows:

June 30, 2026	Individual	Group A & B	Group C	Group D	Total
Expected loss rate	0.05%~100%	0.05%~0.32%	0.06%~100%	0.88%~100%	
Total book value	$1,089,977	$ 269,419,107	$ 69,917,991	$10,090,704	$350,517,779
Loss allowance	$ 895,883	$ 290,216	$ 72,020	$ 147,388	$ 1,405,507

December 31, 2025	Individual	Group A & B	Group C	Group D	Total
Expected loss rate	0.05%~100%	0.05%~0.486%	0.11%~100%	1.14%~100%	
Total book value	$ 983,465	$ 126,845,391	$ 36,880,286	$ 6,698,763	$171,407,905
Loss allowance	$ 750,042	$ 335,612	$ 160,877	$ 142,998	$ 1,389,529

June 30, 2025	Individual	Group A & B	Group C	Group D	Total
Expected loss rate	0.05%~100%	0.05%~0.35%	0.09%~100%	0.82%~100%	
Total book value	$ 573,942	$ 86,494,677	$ 38,946,002	$ 5,091,455	$131,106,076
Loss allowance	$ 488,637	$ 174,413	$ 108,085	$ 162,599	$ 933,734

Group A: Customers with excellent credit rating.

Group B: Customers with fine credit rating.

Group C: Customers with normal credit rating.

Group D: Rated as other than A, B and C.

vi. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable (including overdue receivables) are as follows:

	Six months ended June 30,	
	2026	2025
At January 1	$ 1,389,529	$ 706,447
Provision for impairment	196,106	245,029
Write-off	(193,498)	-
Effect of exchange rate changes	13,370	(17,742)
At June 30	$ 1,405,507	$ 933,734

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. The Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (Note 6(15)) at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internally assessed financial ratio targets and, if applicable, external regulatory or legal requirements.

ii. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. The Group treasury invests surplus cash in interest bearing demand deposits, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts, and expects to readily generate cash inflows for managing liquidity risk.

iii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the due date at the balance sheet date. Non-derivative financial liabilities are analysed by remaining periods from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

June 30, 2026

	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Short-term borrowings (Note)	$ 53,303,732	$ -	$ -	$ 53,303,732
Lease liability	572,919	1,241,835	35,818	1,850,572
Long-term loans (Note)	415,447	403,462	-	818,909
Bonds payable (Note)	314,582	11,383,298	-	11,697,880

December 31, 2025

	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Short-term borrowings (Note)	$ 25,709,803	$ -	$ -	$ 25,709,803
Lease liability	689,689	1,390,276	51,215	2,131,180
Long-term loans (Note)	8,683,882	24,222,178	-	32,906,060
Bonds payable (Note)	309,650	11,541,299	-	11,850,949

June 30, 2025

	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Short-term borrowings (Note)	$ 33,554,179	$ -	$ -	$ 33,554,179
Lease liability	642,474	883,906	133,943	1,660,323
Long-term loans (Note)	7,606,330	46,460,766	-	54,067,096

Note: Including imputed interest payable.

Except for the above, the Group's non-derivative financial liabilities are due in one year.

Derivative financial liabilities:

As of June 30, 2026, December 31, 2025 and June 30, 2025, all derivative financial liabilities of the Group are due in one year.

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

(3) Fair value information

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks, open-end funds and overseas bonds is included in level 1.

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

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market, debt instrument, private equity fund and convertible bonds is included in Level 3.

B. The carrying amounts of financial instruments not measured at fair value, including cash and cash equivalents, notes and accounts receivable, other receivables, other current assets, short-term borrowings, short-term notes and bills payable, accounts payable, other payables, bonds payables and long-term loans (including current portion), are approximate to their fair values.

C. The related information on financial instruments measured at fair value by level on the basis of the nature, characteristics and risks are as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

June 30, 2026	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Beneficiary certificates	$ 62,670	$ -	$ 532,289	$ 594,959
Equity instruments	6,987	-	-	6,987
Debt instruments	-	-	4,079	4,079
Derivative instruments	-	4,459	-	4,459
Hybrid instruments	-	-	15,932	15,932
Financial assets at fair value through other comprehensive income				
Equity instruments	7,906,542	-	233,234	8,139,776
Accounts receivable that are expected to be factored	-	-	212,443,317	212,443,317
	$ 7,976,199	$ 4,459	$ 213,228,851	$ 221,209,509
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Derivative instruments	$ -	$ 19,735	$ -	$ 19,735

December 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Beneficiary certificates	$ 42,420	$ -	$ 296,238	$ 338,658
Equity instruments	5,912	-	-	5,912
Debt instruments	-	-	1,236	1,236
Derivative instruments	-	14,126	-	14,126
Hybrid instruments	-	-	38,518	38,518
Financial assets at fair value through other comprehensive income				
Equity instruments	6,205,547	-	223,511	6,429,058
Accounts receivable that are expected to be factored	-	-	67,619,449	67,619,449
	$ 6,253,879	$ 14,126	$ 68,178,952	$ 74,446,957
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Derivative instruments	$ -	$ 22,616	$ -	$ 22,616

June 30, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Beneficiary certificates	$ 31,470	$ -	$ 310,343	$ 341,813
Equity instruments	4,927	-	-	4,927
Debt instruments	-	-	30,011	30,011
Derivative instruments	-	2,771	-	2,771
Hybrid instruments	-	-	14,579	14,579
Financial assets at fair value through other comprehensive income				
Equity instruments	11,454,451	-	202,009	11,656,460
Accounts receivable that are expected to be factored	-	-	26,596,439	26,596,439
	$ 11,490,848	$ 2,771	$ 27,153,381	$ 38,647,000
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Derivative instruments	$ -	$ 6,640	$ -	$ 6,640

(b) The methods and assumptions the Group used to measure fair value are as follows:

i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares	Open-end fund	Corporate bonds
Market quoted price	Closing price	Net assets value	Weighted average quoted price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

iii. When assessing non-standard and low-complexity financial instruments, for example, cross currency swap contracts, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.

v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

D. For the six months ended June 30, 2026 and 2025, there was no transfer between Level 1 and Level 2.

E. The following chart is the movement of Level 3 for the six months ended June 30, 2026 and 2025:

	Financial instruments	
	2026	2025
At January 1	$ 68,178,952	$ 28,971,141
Acquired during the period	1,258	2,113
Disposed during the period	(14,135)	-
Gains recognised in profit or loss	237,192	10,164
Gains recognised in other comprehensive income	2,084	17,352
Increase in accounts receivable that are expected to be factored	158,414,620	11,815,640
Decrease in accounts receivable that are expected to be factored	(13,590,752)	(13,630,691)
Effect of exchange rate changes	(368)	(32,338)
At June 30	$ 213,228,851	$ 27,153,381

For the six months ended June 30, 2026 and 2025, there was no transfer into or out from Level 3.

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

	Fair value at June 30, 2026	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	49,097	Market comparable companies	Price to earnings ratio multiple	1.12-5 (2.03)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	20.57%-30%	The higher the discount for lack of marketability, the lower the fair value
	45,876	Net asset value	Not applicable	-	Not applicable
Unlisted preferred stocks	4,079	Market comparable companies	Price to earnings ratio multiple	2.93-5.92 (4.28)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
	138,261	Most recent non-active market price	Not applicable	-	Not applicable
Convertible bonds	15,932	Most recent non-active market price	Not applicable	-	Not applicable
Private equity fund	532,289	Net asset value	Not applicable	-	Not applicable

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	$ 40,721	Market comparable companies	Price to earnings ratio multiple	1.05-4.3 (1.99)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	27.32%-30%	The higher the discount for lack of marketability, the lower the fair value
	45,362	Net asset value	Not applicable	-	Not applicable
Unlisted preferred stocks	1,236	Market comparable companies	Price to earnings ratio multiple	3.72-4.56 (4.11)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
	113,374	Most recent non-active market price	Not applicable	-	Not applicable
Convertible bonds	38,518	Most recent non-active market price	Not applicable	-	Not applicable
Venture capital shares	24,054	Net asset value	Not applicable	-	Not applicable
Private equity fund	296,238	Net asset value	Not applicable	-	Not applicable

	Fair value at June 30, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	$ 49,033	Market comparable companies	Price to earnings ratio multiple	1.37-2.70 (1.98)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	27.44%~30%	The higher the discount for lack of marketability, the lower the fair value
	16,607	Net asset value	Not applicable	-	Not applicable
Unlisted preferred stocks	25,216	Market comparable companies	Price to earnings ratio multiple	3.31-4.98 (4.07)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
	4,795	Market comparable companies	Enterprise value to revenue multiple	4.11-7.30 (5.49)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	28%	The higher the discount for lack of marketability, the lower the fair value
	105,352	Most recent non-active market price	Not applicable	-	Not applicable
Convertible bonds	14,579	Most recent non-active market price	Not applicable	-	Not applicable
Venture capital shares	31,017	Net asset value	Not applicable	-	Not applicable
Private equity fund	310,343	Net asset value	Not applicable	-	Not applicable

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Refer to table 1.

B. Provision of endorsements and guarantees to others: Refer to table 2.

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 4.

E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 5.

F. Significant inter-company transactions during the reporting period: Refer to table 6.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 7.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to Note 13(1).

14. SEGMENT INFORMATION

(1) General information

The Group is engaged in the development and sales of electronic and communication components. The Group's chief operating decision maker reviews the Group's overall operating results to determine decisions of the Group's resources and assess the Group's overall performance. Operating segments of the Group have been aggregated into one operating segment because they have similar economic characteristics and show similar long-term financial performances.

The Group's operating segment information is prepared in accordance with the Group's accounting policies. The decision maker allocates resources and assesses performance of the operating segments primarily based on the operating revenue and profit (loss) before tax of individual operating segment.

(2) Financial information of reportable segment

The financial information on reportable single operating segment to the chief operating decision maker is as follows:

	Single Operating Segment	
	Three months ended June 30,	
	2026	2025
Revenue from external customers	$ 590,693,698	$ 259,503,350
Segment income	$ 12,227,174	$ 3,950,808
Segment assets (Note)	$ -	$ -
Depreciation and amortisation	$ 434,886	$ 404,179
Finance costs	$ 1,875,270	$ 1,074,561

	Single Operating Segment	
	Six months ended June 30,	
	2026	2025
Revenue from external customers	$ 1,084,966,618	$ 506,927,807
Segment income	$ 21,249,526	$ 7,452,255
Segment assets (Note)	$ -	$ -
Depreciation and amortisation	$ 855,890	$ 815,432
Finance costs	$ 3,162,499	$ 2,384,106

Note: The chief operating decision maker does not use the measured amount of the assets as a measurement indicator; therefore, the measured amount of the Group's assets shall be disclosed as zero.

(3) Reconciliation information on reportable segment revenue and profit (loss)

The reportable segment income is consistent with the income/(loss) before tax from continuing operations for the period.

WT Microelectronics Co., Ltd. and subsidiaries

Loans to others

Six months ended June 30, 2026

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2026	Balance at June 30, 2026	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
1	WINTECH MICROELECTRONICS HOLDING LIMITED	WT MICROELECTRONICS (HONG KONG) LIMITED	Other receivables - related parties	Y	$ 4,800,000	$ 4,779,750	$ 3,772,816	2.01%	Short-term financing	$ -	Business Operation	$ -	-	$ -	$ 9,516,389	$ 9,516,389	Note 2
2	BSI SEMICONDUCTOR PTE. LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Other receivables - related parties	Y	352,000	350,515	350,515	4.18%~4.33%	Short-term financing	-	Business Operation	-	-	-	563,972	563,972	Note 2
3	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	EXCELPOINT INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	Other receivables - related parties	Y	158,417	-	-	0%	Short-term financing	-	Business Operation	-	-	-	2,737,422	2,737,422	Note 2
4	EXCELPOINT SYSTEMS (PTE) LTD	WT MICROELECTRONICS VIETNAM COMPANY LIMITED	Other receivables - related parties	Y	36,963	36,963	36,963	4.04%~4.59%	Short-term financing	-	Business Operation	-	-	-	3,841,676	3,841,676	Note 2
5	PLANETSPARK PTE. LTD.	SPACEAGE LABS PTE. LTD.	Other receivables - non related parties	N	9,204	9,126	9,126	7.5%	Short-term financing	-	Business Operation	-	-	-	96,712	96,712	Note 3
5	PLANETSPARK PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	44,800	44,611	44,611	4.33%	Short-term financing	-	Business Operation	-	-	-	241,780	241,780	Note 2
6	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Other receivables - related parties	Y	65,025	63,195	63,195	4.95%	Short-term financing	-	Business Operation	-	-	-	20,318,845	20,318,845	Note 2
6	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	1,573,250	-	-	0%	Short-term financing	-	Business Operation	-	-	-	20,318,845	20,318,845	Note 2
6	FUTURE ELECTRONICS LIMITED	WT MICROELECTRONICS CO., LTD.	Other receivables - related parties	Y	2,560,000	2,549,200	-	4.22123%	Short-term financing	-	Business Operation	-	-	-	20,318,845	20,318,845	Note 2
7	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	1,573,250	-	-	0%	Short-term financing	-	Business Operation	-	-	-	32,174,477	32,174,477	Note 2
8	FUTURE ELECTRONICS MANAGEMENT SERVICES LIMITED	FUTURE ELECTRONICS EDC SERVICES GMBH	Other receivables - related parties	Y	638,860	617,950	617,950	4.22778%	Short-term financing	-	Business Operation	-	-	-	12,787,881	12,787,881	Note 2
9	FUTURE ELECTRONICS SRL	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	60,128	-	-	0%	Short-term financing	-	Business Operation	-	-	-	17,459	17,459	Note 2
10	FUTURE ELECTRONICS, S.R.O.	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	47,539	-	-	0%	Short-term financing	-	Business Operation	-	-	-	30,835	30,835	Note 2
11	MORRIHAN SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	3,200,000	3,186,500	2,867,850	4.11%~4.22%	Short-term financing	-	Business Operation	-	-	-	5,429,078	5,429,078	Note 2
12	FUTURE ELECTRONICS CORP.	WT MICROELECTRONICS CO., LTD.	Other receivables - related parties	Y	4,800,000	4,779,750	-	4.22123%	Short-term financing	-	Business Operation	-	-	-	19,629,056	19,629,056	Note 2
12	FUTURE ELECTRONICS CORP.	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	943,950	-	-	0%	Short-term financing	-	Business Operation	-	-	-	19,629,056	19,629,056	Note 2
12	FUTURE ELECTRONICS CORP.	MORRIHAN INTERNATIONAL CORP.	Other receivables - related parties	Y	1,600,000	-	-	0%	Short-term financing	-	Business Operation	-	-	-	7,851,622	7,851,622	Note 3

Number (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2026	Balance at June 30, 2026	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
12	FUTURE ELECTRONICS CORP.	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	$ 640,000	$ 637,300	$ -	4.22123%	Short-term financing	$ -	Business Operation	$ -	-	$ -	$ 19,629,056	$ 19,629,056	Note 2
12	FUTURE ELECTRONICS CORP.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Other receivables - related parties	Y	1,280,000	1,274,600	-	4.22123%	Short-term financing	-	Business Operation	-	-	-	19,629,056	19,629,056	Note 2
13	EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS (HONG KONG) LIMITED	Other receivables - related parties	Y	1,415,925	-	-	4.91%	Short-term financing	-	Business Operation	-	-	-	1,194,003	1,194,003	Note 2
14	PN ELECTRONICS SAS	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	263,060	254,450	199,925	4.98%	Short-term financing	-	Business Operation	-	-	-	417,537	417,537	Note 2
15	FUTURE ELECTRONICS (IRELAND) LIMITED	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	37,580	-	-	0%	Short-term financing	-	Business Operation	-	-	-	32,074	32,074	Note 2
16	WT MICROELECTRONICS SINGAPORE PTE. LTD.	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Other receivables - related parties	Y	159,325	159,325	-	0%	Short-term financing	-	Business Operation	-	-	-	7,746,210	7,746,210	Note 2

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

(1) The Company is '0'.

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

Note 2: The policy for loans granted mutually between overseas subsidiaries of which the Company directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by an overseas subsidiary to all overseas subsidiaries and limit on loans granted by an overseas subsidiary to a single overseas subsidiary are the Creditor's net assets.

Note 3: The policy for loans between the Company and subsidiaries and companies with short-term capital needs is as follows: limit on loans granted by the Company and to a single party is 40% of the company's net assets, based on the most recent financial statements of the company, ceiling on total loans granted by a company is 40% of the company's net assets.

Note 4: The net assets referred to above are based on the latest audited or reviewed financial statements.

WT Microelectronics Co., Ltd. and subsidiaries

Provision of endorsements and guarantees to others

Six months ended June 30, 2026

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Relationship with the endorser / guarantor (Note 2)	Limit on endorsements / guarantees provided for a single party (Note 3)	Maximum outstanding endorsement / guarantee amount as of June 30, 2026	Outstanding endorsement / guarantee amount at June 30, 2026	Actual amount drawn down	Amount of endorsements / guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements / guarantees provided (Note 3)	Provision of endorsements / guarantees by parent company to subsidiary	Provision of endorsements / guarantees by subsidiary to parent company	Provision of endorsements / guarantees to the party in Mainland China	Footnote
0	WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY, INC.	2	$ 497,626,324	$ 800,000	$ 800,000	$ 800,000	$ -	0.64%	$ 497,626,324	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	2	497,626,324	49,677,353	33,901,111	1,388,406	-	27.25%	497,626,324	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	2	497,626,324	1,682,794	1,408,076	-	-	1.13%	497,626,324	Y	N	Y	
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	2	497,626,324	4,863,292	4,528,981	281,456	-	3.64%	497,626,324	Y	N	Y	
0	WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	2	497,626,324	320,000	318,650	-	-	0.26%	497,626,324	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	2	497,626,324	22,400	22,306	745	-	0.02%	497,626,324	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WONCHANG SEMICONDUCTOR CO., LTD.	2	497,626,324	1,280	1,275	-	-	0.00%	497,626,324	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	2	497,626,324	161,280	160,600	3,434	-	0.13%	497,626,324	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	BRILLNICS (HK) LTD.	2	497,626,324	318,650	318,650	55,640	-	0.26%	497,626,324	Y	N	N	
1	EXCELPOINT TECHNOLOGY PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	2	-	1,573,250	-	-	-	0.00%	-	N	N	N	Note 4
2	FUTURE ELECTRONICS INC.	WT MICROELECTRONICS CO., LTD.	3	326,733,076	30,000,000	-	-	-	0.00%	332,065,221	N	Y	N	Note 5
2	FUTURE ELECTRONICS INC.	MORRIHAN INTERNATIONAL CORP.	4	326,733,076	30,000,000	-	-	-	0.00%	332,065,221	N	N	N	Note 5
2	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS EDC SERVICES GMBH	2	326,733,076	-	-	-	-	0.00%	332,065,221	N	N	N	Note 5
2	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	4	326,733,076	160,000	159,325	159,325	-	0.13%	332,065,221	N	N	N	Note 5
3	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	MACKTRONICS LIMITED	1	11,808	2,816	-	-	-	0.00%	128,697,907	N	N	N	Note 6
3	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	SUMMIT INTERNATIONAL YUGEN KAISHA	1	4,892	3,200	-	-	-	0.00%	128,697,907	N	N	N	Note 6

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

(1) The Company is '0'.

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

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following four categories:

(1) Having business relationship.

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

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

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

Note 3: For a single party who owns directly and indirectly more than 50% voting shares of the Company should not be in excess of 400% of the Company's net assets, which are based on the latest financial statements audited or reviewed by the Company's CPA.

Note 4: EXCELPOINT TECHNOLOGY PTE. LTD. was merged and liquidated in February 2026, with EXCELPOINT SYSTEMS (PTE) LTD. being the surviving company.

Note 5: FUTURE ELECTRONICS INC. for a single enterprise and the total limit of endorsement guarantees should not be in excess of 400% the Company's net assets.

Note 6: FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD for a single enterprise and the total limit of endorsement guarantees should not be in excess of 400% the Company's net assets.

For guarantee provided because of business transactions, the guarantee amount should not exceed the amount of business transactions in the preceding twelve month period (the higher of purchase or sales).

WT Microelectronics Co., Ltd. and subsidiaries

Holding of significant marketable securities (not including subsidiaries, associates and joint ventures)

Six months ended June 30, 2026

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Type of securities	Name of securities	Relationship with the securities issuer	General ledger account (Note)	As of June 30, 2026				Footnote
					Number of shares	Book value	Ownership (%)	Fair value	
WT MICROELECTRONICS CO., LTD.	Common stock	ASMEDIA TECHNOLOGY INC.	None	2	4,500,000	$ 6,615,000	6.07	$ 6,615,000	
WT MICROELECTRONICS CO., LTD.	Common stock	SINO-AMERICAN SILICON PRODUCTS INC.	None	1	2,533,000	455,940	0.40	455,940	
WT MICROELECTRONICS CO., LTD.	Private equity funds	FUH HWA GLOBAL IOT AND TECH FUND	None	3	10,010,010	262,663	-	262,663	
WT MICROELECTRONICS CO., LTD.	Private equity funds	FUH HWA ENERGY - EFFICIENT FUND	None	3	9,443,802	209,558	-	209,558	
MORRIHAN INTERNATIONAL CORP.	Common stock	JESS-LINK PRODUCTS CO., LTD.	None	2	688,000	240,800	0.56	240,800	

Note : Code of general ledger accounts: 1- Financial assets at fair value through other comprehensive income - current

2- Financial assets at fair value through other comprehensive income - non-current

3- Financial assets at fair value through profit or loss - non-current

WT Microelectronics Co., Ltd. and subsidiaries

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

Six months ended June 30, 2026

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Sales	$ 60,993,654	19	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	$ -	-	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	93,626,806	29	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	33,975,503	34	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	394,372	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	1,169	-	
WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	Sales	8,522,616	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	2,757,363	3	
WT MICROELECTRONICS CO., LTD.	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	480,146	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS CO., LTD.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	Sales	116,047	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	114,700	-	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	16,713,111	5	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	6,219,936	6	
WT MICROELECTRONICS CO., LTD.	PLANETSPARK PTE. LTD.	Affiliates	Sales	482,694	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	468,891	-	
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	Sales	1,485,953	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	644,750	-	
WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Affiliates	Purchases	3,715,986	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(300,628)	-	
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Purchases	365,951	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(38,128,320)	32	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Purchases	1,120,015	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Purchases	612,495	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	2,435,338	12	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	697,210	10	
NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	Sales	817,943	4	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	163,192	2	
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	1,247,167	6	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	287,719	4	
MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	468,853	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	230,222	-	
MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	Sales	521,545,942	75	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	105,208,868	71	
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	1,334,780	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	466,835	1	
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	6,717,687	7	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	4,244,730	11	
WT MICROELECTRONICS (HONG KONG) LIMITED	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	207,546	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	14,653	-	
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	384,755	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	203,744	-	
WT MICROELECTRONICS (SHENZHEN) CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	209,415	8	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS (SHENZHEN) CO., LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	446,736	16	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	285,106	24	
WT MICROELECTRONICS (SHENZHEN) CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	Sales	138,092	5	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS (SHANGHAI) CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	462,198	5	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
WT MICROELECTRONICS (SHANGHAI) CO., LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	$ 281,505	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	$ -	-	
EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	441,212	35	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	210,770	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Sales	216,675	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	Sales	591,476	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	265,248	3	
EXCELPOINT SYSTEMS (PTE) LTD	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	3,274,234	54	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	705,985	46	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	120,084	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS AS	Affiliates	Sales	171,386	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	64,248	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD	Affiliates	Sales	689,803	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	232,871	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	Sales	5,431,651	9	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	1,526,156	5	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS AUSTRIA GMBH	Affiliates	Sales	541,691	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	71,319	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS SCHWEIZ GMBH	Affiliates	Sales	331,390	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	135,872	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Affiliates	Sales	483,964	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	82,614	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Sales	1,122,647	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	757,178	2	
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS INC.	Affiliates	Sales	2,691,176	5	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS CORP.	Affiliates	Sales	28,773,839	48	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	136,610	-	
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS LIMITED	Affiliates	Sales	335,523	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	116,290	-	
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Sales	2,917,048	5	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	1,933,304	6	
FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	34,287,476	58	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	747,319	2	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS LIMITED	Affiliates	Sales	151,510	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC. (KOREA)	Affiliates	Sales	468,961	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	178,368	-	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS KABUSHIKI KAISHA	Affiliates	Sales	303,727	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	135,176	-	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	10,954,675	34	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	3,987,943	17	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	2,276,327	7	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	958,648	4	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE TAIWAN ADVANCED ELECTRONICS PTE LTD.	Affiliates	Sales	137,492	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	40,385	-	
FUTURE ELECTRONICS (HONG KONG) LIMITED	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	409,046	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
FUTURE ADVANCED ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Sales	3,274,037	10	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	611,357	3	

WT Microelectronics Co., Ltd. and subsidiaries

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

June 30, 2026

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2026	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	$ 33,975,503	7.04	$ -		$ 33,975,503	$ -
WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	2,757,363	8.19	-		2,757,363	-
WT MICROELECTRONICS CO., LTD.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	114,700	4.05	-		-	-
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	6,219,936	6.24	-		-	-
WT MICROELECTRONICS CO., LTD.	PLANETSPARK PTE. LTD.	Affiliates	468,891	2.25	101,743	Collection after the period	-	-
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	644,750	5.77	47,216	Collection after the period	-	-
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS CO., LTD.	Affiliates	300,628	16.98	-		-	-
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	697,210	9.56	-		-	-
NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	163,192	6.96	-		163,192	-
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	287,719	4.65	-		287,719	-
MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS CO., LTD.	Affiliates	38,128,320	-	-		-	-
MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	230,222	5.11	-		-	-
MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	105,208,868	19.17	-		105,208,868	-
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	466,835	5.73	-		-	-
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	4,244,730	3.28	-		563,170	-
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	203,744	6.73	2,988	Collection after the period	-	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2026	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
WT MICROELECTRONICS (SHENZHEN) CO., LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	$ 285,106	4.71	$ -		$ -	$ -
EXCELPOINT SYSTEMS (PTE) LTD	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	705,985	18.55	1,012	Collection after the period	-	-
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	265,248	6.10	5,887	Collection after the period	117,308	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD	Affiliates	232,871	7.34	-		155,874	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	1,526,156	11.44	-		689,248	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS SCHWEIZ GMBH	Affiliates	135,872	5.82	-		66,941	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	757,178	3.52	-		175,258	-
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS CORP.	Affiliates	136,610	26.82	-		136,610	-
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS LIMITED	Affiliates	116,290	8.30	-		16,793	-
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	1,933,304	3.08	-		-	-
FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	747,319	19.40	-		747,319	-
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC. (KOREA)	Affiliates	178,368	10.52	-		91,710	-
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS KABUSHIKI KAISHA	Affiliates	135,176	5.54	-		51,841	-
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (HONG KONG) LIMITED	Affiliates	3,987,943	6.08	-		2,708,525	-
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	958,648	6.12	-		438,686	-
FUTURE ADVANCED ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	611,357	14.80	-		414,245	-

Note: For information on loans between the Company and subsidiaries, refer to table 1.

WT Microelectronics Co., Ltd. and subsidiaries

Significant inter-company transactions during the reporting period

Six months ended June 30, 2026

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)			
				General ledger account	Amount	Transaction terms	Percentage of total operating revenues or total assets (Note 5)
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Sales	$ 60,993,654	(Note 3)	6
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	93,626,806	(Note 3)	9
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	33,975,503	(Note 3)	4
0	WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	Sales	8,522,616	(Note 3)	1
0	WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	Accounts receivable	2,757,363	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	16,713,111	(Note 3)	2
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	6,219,936	(Note 3)	1
0	WT MICROELECTRONICS CO., LTD.	PLANETSPARK PTE. LTD.	Affiliates	Sales	482,694	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	Affiliates	Sales	1,485,953	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	Affiliates	Accounts receivable	644,750	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Accounts payable	38,128,320	(Note 3)	5
0	WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Affiliates	Purchases	3,715,986	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Purchases	1,120,015	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	480,146	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Purchases	612,495	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	PLANETSPARK PTE. LTD.	Affiliates	Accounts receivable	468,891	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	2,435,338	(Note 3)	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)			
				General ledger account	Amount	Transaction terms	Percentage of total operating revenues or total assets (Note 5)
1	NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	$ 697,210	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	Sales	817,943	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	1,247,167	(Note 3)	-
2	MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	468,853	(Note 3)	-
2	MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	Sales	521,545,942	(Note 3)	48
2	MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	105,208,868	(Note 3)	13
3	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	1,334,780	(Note 3)	-
3	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Accounts receivable	466,835	(Note 3)	-
3	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	6,717,687	(Note 3)	1
3	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Accounts receivable	4,244,730	(Note 3)	1
4	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	462,198	(Note 3)	-
5	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	Sales	591,476	(Note 3)	-
6	EXCELPOINT SYSTEMS (PTE) LTD	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	3,274,234	(Note 3)	-
6	EXCELPOINT SYSTEMS (PTE) LTD	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	705,985	(Note 3)	-
7	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	34,287,476	(Note 3)	3
7	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Accounts receivable	747,319	(Note 3)	-
8	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	2,276,327	(Note 3)	-
8	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Accounts receivable	958,648	(Note 3)	-
8	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	10,954,675	(Note 3)	1
8	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	3,987,943	(Note 3)	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)			
				General ledger account	Amount	Transaction terms	Percentage of total operating revenues or total assets (Note 5)
8	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC. (KOREA)	Affiliates	Sales	$ 468,961	(Note 3)	-
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS AUSTRIA GMBH	Affiliates	Sales	541,691	(Note 3)	-
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	Sales	5,431,651	(Note 3)	1
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	Accounts receivable	1,526,156	(Note 3)	-
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD	Affiliates	Sales	689,803	(Note 3)	-
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Sales	1,122,647	(Note 3)	-
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Accounts receivable	757,178	(Note 3)	-
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Affiliates	Sales	483,964	(Note 3)	-
10	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Sales	2,917,048	(Note 3)	-
10	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Accounts receivable	1,933,304	(Note 3)	-
10	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS INC.	Affiliates	Sales	2,691,176	(Note 3)	-
10	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS CORP.	Affiliates	Sales	28,773,839	(Note 3)	3
11	FUTURE ADVANCED ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Sales	3,274,037	(Note 3)	-
11	FUTURE ADVANCED ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Accounts receivable	611,357	(Note 3)	-

Note 1: The information of transactions between the Company and the consolidated subsidiaries should be noted in “Number” column.

(1) Number 0 represents the Company.

(2) The consolidated subsidiaries are numbered in order from number 1.

Note 2: The transaction relationships with the counterparties are as follows:

(1) The Company to the consolidated subsidiary.

(2) The consolidated subsidiary to the Company.

(3) The consolidated subsidiary to another consolidated subsidiary.

Note 3: The prices and terms to related parties were similar to third parties. The credit term is 90 days after the end of each month.

Note 4: For sales, purchases and accounts receivable, transactions reaching NT$100 million or 20% of paid-in capital or more should be disclosed.

Note 5: In calculating the ratio, the transaction amount is divided by consolidated total assets for balance sheet accounts and is divided by consolidated total revenues for income statement accounts.

Note 6: Information of loans between the Company and subsidiaries, please refer to table 1.

WT Microelectronics Co., Ltd. and subsidiaries

Names, locations and other information of investee companies (not including investees in Mainland China)

Six months ended June 30, 2026

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2026			Net profit (loss) of the investee for the six months ended June 30, 2026	Investment income (loss) recognised by the Company for the six months ended June 30, 2026	Footnote
				Balance at June 30, 2026	Balance at December 31, 2025	Number of shares	Ownership (%)	Book value			
WT MICROELECTRONICS CO., LTD.	WINTECH MICROELECTRONICS HOLDING LIMITED	British Virgin Islands	Holding company	$ 32,029	$ 32,029	31,160	100.00	$ 9,655,009	$ 477,455	$ 477,455	Subsidiary
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Taiwan	Sales of electronic components	35,106,620	35,106,620	923,760,000	100.00	37,095,813	4,742,842	4,742,842	Subsidiary
WT MICROELECTRONICS CO., LTD.	BSI SEMICONDUCTOR PTE. LTD.	Singapore	Holding company	486,289	486,289	7,544,002	100.00	807,204	3,700	3,700	Subsidiary
WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Taiwan	Sales of electronic components	323,751	323,751	28,227,197	100.00	2,290,567	1,306,131	1,306,131	Subsidiary
WT MICROELECTRONICS CO., LTD.	MAXTEK TECHNOLOGY CO., LTD.	Taiwan	Sales of electronic components	1,895,949	1,895,949	70,220,331	100.00	1,665,379	(63,001)	(63,001)	Subsidiary
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Hong Kong	Sales of electronic components	402,761	402,761	12,527,632	100.00	1,344,612	160,656	160,656	Subsidiary
WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Hong Kong	Sales of electronic components	451,386	451,386	110,000,000	100.00	687,361	67,461	67,461	Subsidiary
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Singapore	Sales of electronic components	4,864,726	4,864,726	156,698,335	100.00	7,508,491	962,006	962,006	Subsidiary
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Singapore	Sales of electronic components	156,727	156,727	5,000,000	100.00	168,789	5,509	5,509	Subsidiary
WT MICROELECTRONICS CO., LTD.	MORRIHAN SINGAPORE PTE.LTD.	Singapore	Sales of electronic components	150,363	150,363	7,000,000	100.00	5,429,078	1,437,163	1,437,163	Subsidiary
WT MICROELECTRONICS CO., LTD.	NICHIDENBO CORPORATION	Taiwan	Sales of electronic components	1,444,511	1,444,511	102,000,000	35.47	10,782,427	1,311,336	465,131	Associates
WT MICROELECTRONICS CO., LTD.	BRILLNICS (TAIWAN) INC.	Taiwan	Research and development company	395,892	-	1,006,601	60.30	408,044	41,508	24,502	Subsidiary and Note 3
WT MICROELECTRONICS CO., LTD.	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Singapore	Sales of electronic components	30,590,400	-	947,242,270	100.00	41,019,573	2,269,472	2,269,472	Subsidiary, Note 2 and Note 5
WT MICROELECTRONICS CO., LTD.	FUTURE ELECTRONICS INC.	Canada	Sales of electronic components	40,080,753	61,694,782	51	51.00	41,762,199	2,480,454	1,205,969	Subsidiary and Note 2

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2026			Net profit (loss) of the investee for the six months ended June 30, 2026	Investment income (loss) recognised by the Company for the six months ended June 30, 2026	Footnote
				Balance at June 30, 2026	Balance at December 31, 2025	Number of shares	Ownership (%)	Book value			
BRILLNICS (TAIWAN) INC.	BRILLNICS SINGAPORE PTE. LTD.	Singapore	Manufacture of electronic components	$ 98,376	-	750,002	100.00	($ 38,466)	($ 4,279)	Note 1	Subsidiary and Note 7
BRILLNICS (TAIWAN) INC.	BRILLNICS (HK) LIMITED	Hong Kong	Selling and technology servicing	362,352	-	64,013,000	100.00	486,384	15,598	Note 1	Subsidiary and Note 7
BRILLNICS (TAIWAN) INC.	BRILLNICS JAPAN INC.	Japan	Research and development company	20,030	-	100,000	100.00	43,941	4,547	Note 1	Subsidiary and Note 7
WINTECH MICROELECTRONICS HOLDING LIMITED	PROMISING INVESTMENT LIMITED	Mauritius	General investment	976,105	976,105	30,632,506	100.00	1,215,872	240,203	Note 1	Subsidiary
WINTECH MICROELECTRONICS HOLDING LIMITED	WINTECH INVESTMENT CO., LTD.	Belize	General investment	669,833	669,833	21,020,957	100.00	971,198	(41,246)	Note 1	Subsidiary
WINTECH MICROELECTRONICS HOLDING LIMITED	WINTECH MICROELECTRONICS LTD.	Belize	Sales of electronic components	634,117	634,117	-	0.00	-	178	Note 1	Subsidiary and Note 8
WINTECH MICROELECTRONICS HOLDING LIMITED	JCD OPTICAL (CAYMAN) CO., LTD.	Cayman Islands	Holding company	75,644	75,644	5,869,093	16.94	8,687	373	Note 1	Associates
WINTECH MICROELECTRONICS HOLDING LIMITED	JOY CAPITAL LTD.	Seychelles	General investment	36,156	38,238	1,200,000	17.65	8,344	(1,075)	Note 1	Associates
WINTECH MICROELECTRONICS HOLDING LIMITED	RAINBOW STAR GROUP LIMITED	British Virgin Islands	General investment	31,865	31,865	18,924	24.65	-	1,999	Note 1	Associates
PROMISING INVESTMENT LIMITED	NINO CAPITAL CO., LTD.	Samoa	Holding company	9,910	9,910	311,000	100.00	43,086	934	Note 1	Subsidiary
PROMISING INVESTMENT LIMITED	RICH WEB LTD.	British Virgin Islands	Holding company	732,080	732,080	22,974,430	100.00	1,084,185	239,253	Note 1	Subsidiary
WINTECH INVESTMENT CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	South Korea	Sales of electronic components	580,163	580,163	3,800,000	95.47	817,218	(41,591)	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (MALAYSIA) SDN. BHD.	Malaysia	Selling and technology servicing	784	784	500,000	100.00	3,151	11	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	BRILLNICS INC.	Cayman Islands	Holding company	1,241,588	1,241,588	49,336,630	100.00	428,474	(33,889)	Note 1	Subsidiary and Note 9
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (THAILAND) LIMITED.	Thailand	Sales of electronic components	2,874	2,874	300,000	100.00	3,641	176	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS INDIA PRIVATE LIMITED	India	Selling and technology servicing	2,428	2,428	700,000	100.00	8,238	1,692	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Singapore	Holding company	4,788,966	-	120,398,640	100.00	5,620,831	521,322	Note 1	Subsidiary and Note 6
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT SEMICONDUCTOR HOLDINGS PTE. LTD.	Singapore	Holding company	-	4,788,966	-	0.00	-	-	Note 1	Subsidiary and Note 6

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2026			Net profit (loss) of the investee for the six months ended June 30, 2026	Investment income (loss) recognised by the Company for the six months ended June 30, 2026	Footnote
				Balance at June 30, 2026	Balance at December 31, 2025	Number of shares	Ownership (%)	Book value			
MORRIHAN INTERNATIONAL CORP.	ASIA LATEST TECHNOLOGY LIMITED	Mauritius	Holding company	$ 37,771	$ 37,771	1,120,000	100.00	$ 47,207	($ 426)	Note 1	Subsidiary
MORRIHAN INTERNATIONAL CORP.	FUTURE ELECTRONICS INC.	Canada	Sales of electronic components	38,508,948	59,275,369	49	49.00	40,124,466	2,480,454	Note 1	Subsidiary and Note 2
BSI SEMICONDUCTOR PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD.	South Korea	Sales of electronic components	55,271	55,271	180,472	4.53	29,714	(41,591)	Note 1	Subsidiary
BSI SEMICONDUCTOR PTE. LTD.	WONCHANG SEMICONDUCTOR CO., LTD.	South Korea	Sales of electronic components	24,991	24,991	53,505	100.00	171,009	(2,813)	Note 1	Subsidiary
MAXTEK TECHNOLOGY CO., LTD.	HONGTECH ELECTRONICS CO., LTD.	Taiwan	Sales of electronic components	115,000	115,000	11,500,000	100.00	216,582	712	Note 1	Subsidiary
MAXTEK TECHNOLOGY CO., LTD.	LACEWOOD INTERNATIONAL CORP.	British Virgin Islands	Sales of electronic components	-	98,376	500	100.00	-	-	Note 1	Subsidiary
BRILLNICS INC.	BRILLNICS (HK) LIMITED	Hong Kong	Selling and technology servicing	-	362,352	-	0.00	-	-	Note 1	Subsidiary and Note 7
BRILLNICS INC.	BRILLNICS SINGAPORE PTE. LTD.	Singapore	Manufacture of electronic components	-	23,899	-	0.00	-	-	Note 1	Subsidiary and Note 7
BRILLNICS (HK) LIMITED	BRILLNICS JAPAN INC.	Japan	Research and development company	-	19,700	-	0.00	-	-	Note 1	Subsidiary and Note 7
BRILLNICS (HK) LIMITED	BRILLNICS (TAIWAN) INC.	Taiwan	Research and development company	-	16,694	-	0.00	-	-	Note 1	Subsidiary and Note 3
WT SEMICONDUCTOR HOLDINGS PTE. LTD.	EXCELPOINT TECHNOLOGY PTE. LTD.	Singapore	Holding company	-	5,200,061	-	0.00	-	-	Note 1	Subsidiary and Note 6
EXCELPOINT TECHNOLOGY PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Singapore	Holding company	-	508,286	-	0.00	-	-	Note 1	Subsidiary and Note 6
EXCELPOINT TECHNOLOGY PTE. LTD.	EXCELPOINT SYSTEMS (H.K.) LIMITED	Hong Kong	Sales of electronic components	-	284,475	-	0.00	-	-	Note 1	Subsidiary and Note 4
EXCELPOINT TECHNOLOGY PTE. LTD.	PLANETSPARK PTE. LTD.	Singapore	Research and development and Investment Company	-	350,515	-	0.00	-	-	Note 1	Subsidiary and Note 4
EXCELPOINT SYSTEMS (PTE) LTD	EXCELPOINT SYSTEMS (H.K.) LIMITED	Hong Kong	Sales of electronic components	508,286	-	27,793,961	100.00	1,194,003	(7,233)	Note 1	Subsidiary and Note 4
EXCELPOINT SYSTEMS (PTE) LTD	PLANETSPARK PTE. LTD.	Singapore	Research and development and Investment Company	350,515	-	11,000,001	100.00	241,791	18,737	Note 1	Subsidiary and Note 4
EXCELPOINT SYSTEMS (PTE) LTD	EXCELPOINT SYSTEMS SDN. BHD.	Malaysia	Selling and technology servicing	1	1	100	100.00	213	(83)	Note 1	Subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2026			Net profit (loss) of the investee for the six months ended June 30, 2026	Investment income (loss) recognised by the Company for the six months ended June 30, 2026	Footnote
				Balance at June 30, 2026	Balance at December 31, 2025	Number of shares	Ownership (%)	Book value			
EXCELPOINT SYSTEMS (PTE) LTD	EXCELPOINT SYSTEMS (INDIA) PVT LTD	India	Selling and technology servicing	$ 368	$ 368	50,000	100.00	($ 49,351)	$ 58	Note 1	Subsidiary
EXCELPOINT SYSTEMS (PTE) LTD	EXCELPOINT SYSTEMS (USA) INC.	USA	Selling and technology servicing	32	32	1,000	100.00	1,037	(234)	Note 1	Subsidiary
EXCELPOINT SYSTEMS (PTE) LTD	WT MICROELECTRONICS VIETNAM COMPANY LIMITED	Vietnam	Sales of electronic components	28,679	28,679	-	100.00	(11,196)	744	Note 1	Subsidiary
EXCELPOINT SYSTEMS (H.K.) LIMITED	SYNERGY ELECTRONICS (H.K.) LIMITED	Hong Kong	Sales of electronic components	3,187	3,187	100,000	100.00	8,918	(127)	Note 1	Subsidiary

Note 1: Profit (loss) of investee has been included in the investor, and will not be disclosed separately.

Note 2: Because the foreign holding investee companies prepare consolidated financial statements only, which the Company has significant influence or control, directly or indirectly, is only disclosed to the level of the holding company.

Note 3: In February 2026, the Company directly held equity interest of BRILLNICS (Taiwan) INC. in response to the adjustment of the Group’s organisational structure.

Note 4: In February 2026, EXCELPOINT SYSTEMS (PTE) LTD. directly held 100% equity interest in PLANETSPARK PTE. LTD. and EXCELPOINT SYSTEMS (H.K.) LIMITED. in response to the adjustment of the Group's organisational structure.

Note 5: In January 2026, the Company directly held all the equity interest of FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD in response to the adjustment of the Group’s organisational structure. The registration was completed on April 16, 2026.

Note 6: WT SEMICONDUCTOR HOLDINGS PTE. LTD., EXCELPOINT TECHNOLOGY PTE. LTD., and EXCELPOINT SYSTEMS (PTE) LTD. conducted a merger in February 2026, where EXCELPOINT SYSTEMS (PTE) LTD. was the surviving company.
Following the Group's organisational restructuring, EXCELPOINT SYSTEMS (PTE) LTD. directly holds 100% equity interest in PLANETSPARK PTE. LTD. and EXCELPOINT SYSTEMS (H.K.) LIMITED.

Note 7: In May 2026, BRILLNICS (TAIWAN) INC. directly held 100% equity interest in BRILLNICS JAPAN INC., BRILLNICS SINGAPORE PTE. LTD. and BRILLNICS (HK) LIMITED in response to the adjustment of the Group’s organisational structure.

Note 8: On April 22, 2026, WINTECH MICROELECTRONICS LTD. had been dissolved and liquidated.

Note 9: On May 13, 2026, BRILLNICS INC. acquired all the shares held by the non-controlling interest shareholders and retire these shares. As a result, the shareholder ratio of WT MICROELECTRONICS SINGAPORE PTE. LTD. in BRILLNICS INC. changed to 100%.

WT Microelectronics Co., Ltd. and subsidiaries

Information on investments in Mainland China

Six months ended June 30, 2026

Table 8

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2026	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the six months ended June 30, 2026		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2026	Net income of investee for the six months ended June 30, 2026	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six months ended June 30, 2026 (Note 2)	Book value of investment in Mainland China as of June 30, 2026	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2026	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
SHANGHAI WT MICROELECTRONICS CO., LTD.	International trade, entrepot trade and etc.	$ 9,560	2	$ 9,560	$ -	$ -	$ 9,560	$ 935	100.00	$ 935	$ 43,010	$ -	Note 5
WT MICROELECTRONICS (SHENZHEN) CO., LTD.	International trade, entrepot trade and etc.	723,036	2	669,796	-	-	669,796	239,250	100.00	239,250	1,084,073	-	Note 6
WT MICROELECTRONICS (SHANGHAI) CO., LTD.	International trade	1,120,055	2	610,215	-	-	610,215	229,147	100.00	229,147	2,737,406	-	Note 7
WT MICROELECTRONICS (SHANGHAI) TECHNOLOGY CO., LTD.	Technical service, international trade, entrepot trade and etc.	42,380	3	31,865	-	-	31,865	(426)	100.00	(426)	47,197	-	Note 4
JCD OPTICAL CORPORATION	Production and sales of optoelectronic materials and components	162,512	2	21,159	-	-	21,159	551	16.94	93	611	-	Note 8
SYNERGY ELECTRONICS (SHENZHEN) CO., LTD.	International trade, entrepot trade and etc.	8,124	2	-	-	-	-	10,617	100.00	10,617	(318,045)	-	Note 9
EXCELPOINT INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	International trade, entrepot trade and etc.	47,798	2	-	-	-	-	(4,517)	100.00	(4,517)	48,988	-	Note 9
FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	International trade, entrepot trade and etc.	76,476	2	-	-	-	-	371,404	100.00	371,404	2,158,352	-	Note 10

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2026	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note 3)
WT MICROELECTRONICS CO., LTD.	$ 4,028,403	$ 4,028,403	$ 74,805,144

Note 1: The investment methods are classified into the following three categories:

(1) Directly investing in Mainland China.

(2) Through investing in companies in the third area, which then invested in the investee in Mainland China.

(3) Others.

Note 2: Investment gains or losses were recognised based on reviewed financial statements.

Note 3: The amount disclosed was 60% of the net assets in the Company's consolidated financial statements and based on Investment Commission, MOEA Regulation No. 09704604680 announced on August 29, 2008.

Note 4: This is a China subsidiary which was reinvested through the company in the third area when MORRIHAN INTERNATIONAL CORP. was acquired in September 2009.

Note 5: This is a China company which was invested through the company, NINO CAPITAL CO., LTD., in the third area.

Note 6: This is a China company which was invested through the company, RICH WEB LTD., in the third area.

Note 7: This is a China company which was reinvested through the company, WINTECH MICROELECTRONICS HOLDING LIMITED, in the third area.

Note 8: This is a China company which was reinvested through the company, JCD OPTICAL (CAYMAN) CO., LTD., in the third area.

Note 9: This is a China company which was reinvested through the company, EXCELPOINT SYSTEMS (H.K.) LIMITED, in the third area.

Note 10: This is a China subsidiary which was reinvested through the company in the third area when FUTURE ELECTRONICS INC. was acquired in April 2024.

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2025 AND 2024

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

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of WT Microelectronics Co., Ltd.

Opinion

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

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

Basis for opinion

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

Key audit matters

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

Key audit matters for the Group's 2025 consolidated financial statements are stated as follows:

Recognition of supplier rebates

Description

Refer to Note 4(13) for accounting policies on supplier rebates.

The Group is primarily engaged in the sales of electronic and communication components. In line with industry practice, the Group has entered into rebate arrangements with its suppliers for various kinds and quantities of inventories. Under the arrangement, the Group calculates the amount of supplier rebates based on sales breakdown, which is recognised as a deduction of accounts payable to suppliers and a deduction of operating costs. The Group pays the net purchase price, after confirming that the rebate is granted and the credit memo from its suppliers has been received.

As the terms of different types of supplier rebates vary and change frequently, the calculation is complex. The Group relies on the information system to gather related transaction information, and manually matches each inventory category with its corresponding rebate term to calculate the supplier rebate that should be recognised. Since the supplier rebate is material to the financial statements and more audit effort is required to address this audit matter, the recognition of supplier rebate has been identified as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

A. Obtained an understanding and assessed the internal controls related to supplier rebates. Tested the effectiveness of relevant internal controls, for example, by verifying whether major supplier rebates have been reviewed by a responsible supervisor, and the inventory cost has been correctly deducted and paid in net amount based on the credit memo approved by suppliers.
B. Selected samples of supplier rebates and performed test of transaction data to confirm whether the transaction quantities are consistent with sales breakdown. Also, verified arrangements and calculation worksheets, and recalculated supplier rebates to ensure that the rebate recognition is consistent with the contract.
C. Selected samples of supplier rebates which were recognized before the balance sheet date but have not yet been confirmed by suppliers, verified its consistency and reasonableness with subsequent credit memos approved by suppliers after the balance sheet date, and confirmed whether there were any material differences; and
D. Performed confirmation of selected material accounts payable, including supplier rebates which have been confirmed by suppliers, and examined the reconciliation for the differences between the amount stated in the suppliers' confirmation and the Group's records.

Assessment of inventory valuation losses

Description

Refer to Note 4(13) for accounting policies on inventory valuation, Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(6) for details of inventory valuation. As at December 31, 2025, the Group's inventories and allowance for inventory valuation losses were NT$261,298,094 thousand and NT$1,537,733 thousand, respectively.

The Group is primarily engaged in the sales of various kinds of electronic components. Due to rapid technology innovations, short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses arising from market value decline or obsolescence. For non-obsolete inventories, the net realisable value is estimated based on the estimated selling price within a certain period around the balance sheet date. The obsolete inventories are individually identified as obsolete or damaged, if any. Since the amount of inventory is material, inventory types vary, sources of information in calculating the net realisable value of each type of inventories are various, and the identification of obsolete and damaged inventory and its net realisable value is subject to management's judgement, we considered the assessment of inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

A. Obtained an understanding and evaluated the process of inventory and warehouse management, examined the annual plan and participated in stock take to assess the effectiveness of management's identification and controls on obsolete inventory.
B. Obtained an understanding of the Group's nature of business and industry to assess whether the provision policies and procedures were applied consistently and reasonably during the periods, including identified as obsolete with supporting documents, and agreed to information obtained from physical inventory; and
C. Obtained the net realizable value statement of each inventory and assessed reasonableness of net realisable value.

Goodwill Impairment Assessment Arising from the Acquisition of Future Electronics Inc.

Description

Refer to Note 4(19) for accounting policies on the impairment of non-financial assets, Note 5(2) for the uncertainties of accounting estimates and assumptions in relation to goodwill impairment assessment and Note 6(10) for the explanation of goodwill impairment. As of December 31, 2025, the goodwill balance recognized by the Group due to the acquisition of Future Electronics Inc. amounted to NT$ 28,111,559 thousand. After identifying the individual cash-generating units (CGUs), the Group measured the

recoverable amount of each CGU by discounting the estimated future cash flows of the respective units using appropriate discount rates. This measurement serves as the basis for assessing whether any impairment of goodwill has occurred. Given the significant amount of goodwill arising from the acquisition and that the recoverable amount of the CGUs is measured based on estimated future cash flows, the assessment involves multiple assumptions, we have identified the goodwill impairment assessment arising from the acquisition of Future Electronics Inc. as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

A. Understand and assess management's internal controls over the review and approval of their financial forecasts and related assumptions; and
B. Evaluate the appropriateness of the valuation model used to determine the recoverable amount.
C. The auditor engaged valuation specialists to assist in assessing the reasonableness of significant assumptions used in the model, including projected growth rates, projected gross margins, and discount rates, through the following procedures,
   (a) The projected growth rates and projected gross margins used were compared with historical results, as well as economic and industry forecast.
   (b) The discount rate used for the cash-generating unit and comparing it with the rates of return on similar assets in the market.
   (c) Evaluate sensitivity analysis of future cash flows using alternative assumptions for projected growth rates, projected gross margins, and discount rates to ensure that management has appropriately addressed the potential impact of estimation uncertainties in the impairment assessment.

Other matter – Parent company only financial reports

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

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

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

A. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures

responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

F. Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

Hsu, Sheng-Chung SUNG-TSE WANG

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 3, 2026

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Assets	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 28,138,755	6	$ 39,727,726	10
1110	Financial assets at fair value through profit or loss - current	6(2)	20,038	-	19,298	-
1120	Financial assets at fair value through other comprehensive income - current	6(3)	291,065	-	367,589	-
1170	Accounts receivable, net	6(4) and 7	170,018,376	32	142,094,108	34
1200	Other receivables	6(4)(5)	3,713,296	1	5,956,485	1
130X	Inventories	6(6)	259,760,361	49	160,927,874	39
1410	Prepayments		1,691,699	-	2,126,440	1
1470	Other current assets	6(1)(16) and 8	444,237	-	766,714	-
11XX	**Total current assets**		464,077,827	88	351,986,234	85
	Non-current assets					
1510	Financial assets at fair value through profit or loss - non-current	6(2)	378,412	-	391,828	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	6,137,993	1	11,662,725	3
1550	Investments accounted for using equity method	6(7)	9,140,616	2	31,612	-
1600	Property, plant and equipment	6(8)	4,718,651	1	3,191,522	1
1755	Right-of-use assets	6(9)	1,778,703	-	2,255,876	1
1760	Investment property - net		187,476	-	186,949	-
1780	Intangible assets	6(10)	38,827,551	8	40,847,105	10
1840	Deferred income tax assets	6(30)	1,871,829	-	1,454,225	-
1900	Other non-current assets		441,132	-	482,210	-
15XX	**Total non-current assets**		63,482,363	12	60,504,052	15
1XXX	**Total assets**		$ 527,560,190	100	$ 412,490,286	100

(Continued)

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Liabilities and Equity	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(11)	$ 25,569,230	5	$ 35,412,779	9
2110	Short-term notes and bills payable	6(12)	1,699,092	-	1,598,968	-
2120	Financial liabilities at fair value through profit or loss - current	6(2)	22,616	-	138	-
2130	Contract liabilities - current	6(23)	3,964,998	1	1,132,253	-
2170	Accounts payable	7	317,278,361	60	186,740,851	45
2200	Other payables	6(13)	6,877,329	1	9,009,470	2
2230	Current income tax liabilities		2,807,119	1	2,157,158	1
2280	Lease liabilities - current		674,788	-	740,498	-
2320	Long-term liabilities, current portion	6(15)	8,032,002	2	73,218	-
2365	Refund liabilities - current	6(23)	1,727,634	-	1,572,327	-
2399	Other current liabilities	6(16)	1,323,898	-	1,897,226	1
21XX	**Total current liabilities**		369,977,067	70	240,334,886	58
	Non-current liabilities					
2530	Bonds payable	6(14)	10,701,899	2	-	-
2540	Long-term loans	6(15)	23,681,133	5	63,366,390	16
2570	Deferred income tax liabilities	6(30)	3,691,903	1	3,296,245	1
2580	Lease liabilities - non-current		1,278,716	-	1,220,065	-
2600	Other non-current liabilities		291,165	-	409,428	-
25XX	**Total non-current liabilities**		39,644,816	8	68,292,128	17
2XXX	**Total liabilities**		409,621,883	78	308,627,014	75
	Equity attributable to owners of parent					
	Share capital	6(18)				
3110	Common stock		12,645,859	3	11,164,167	3
3120	Preferred stock		1,350,000	-	1,350,000	-
3130	Certificates of entitlement to new shares from convertible bonds		8,449	-	7,370	-
	Capital surplus	6(19)				
3200	Capital surplus		66,447,413	12	47,673,484	11
	Retained earnings	6(20)				
3310	Legal reserve		6,105,174	1	4,717,884	1
3350	Unappropriated retained earnings		32,843,640	6	27,052,694	7
	Other equity interest	6(21)				
3400	Other equity interest		(1,737,516)	-	10,909,959	3
31XX	**Equity attributable to owners of the parent**		117,663,019	22	102,875,558	25
36XX	Non-controlling interest	6(22)	275,288	-	987,714	-
3XXX	**Total equity**		117,938,307	22	103,863,272	25
	Commitments and contingent liabilities	9				
	Significant subsequent events	11				
3X2X	**Total liabilities and equity**		$ 527,560,190	100	$ 412,490,286	100

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

			Year ended December 31			
			2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(23) and 7	$ 1,177,948,907	100	$ 959,431,897	100
5000	Operating costs	6(6) and 7	(1,130,325,080)	(96)	(921,829,827)	(96)
5900	Gross profit		47,623,827	4	37,602,070	4
	Operating expenses	6(28)				
6100	Selling expenses		(19,393,040)	(2)	(16,573,833)	(2)
6200	General and administrative expenses		(5,898,175)	-	(4,815,204)	(1)
6300	Research and development expenses		(810,436)	-	(850,587)	-
6450	Impairment loss determined in accordance with IFRS 9	12(2)	(639,996)	-	(98,126)	-
6000	Total operating expenses		(26,741,647)	(2)	(22,337,750)	(3)
6900	Operating profit		20,882,180	2	15,264,320	1
	Non-operating income and expenses					
7100	Interest income	6(24)	762,233	-	829,108	-
7010	Other income	6(25)	866,572	-	492,507	-
7020	Other gains and losses	6(26)	(175,382)	-	351,246	-
7050	Finance costs	6(27)	(5,041,763)	(1)	(5,080,083)	-
7060	Share of gain (loss) of associates and joint ventures accounted for using equity method	6(7)	105,251	-	(22,314)	-
7000	Total non-operating income and expenses		(3,483,089)	(1)	(3,429,536)	-
7900	**Profit before income tax**		17,399,091	1	11,834,784	1
7950	Income tax expense	6(30)	(3,832,620)	-	(2,628,699)	-
8200	**Profit for the period**		$ 13,566,471	1	$ 9,206,085	1

(Continued)

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Items	Notes	Year ended December 31 2025 AMOUNT	2025 %	2024 AMOUNT	2024 %
	Other comprehensive income (loss)					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Comprehensive (loss) gain on remeasurements of defined benefit plans	6(16)	($ 13,177)	-	$ 23,419	-
8316	Unrealised (loss) gain on valuation of equity investment instruments measured at fair value through other comprehensive income	6(21)(22)	(3,374,719)	-	620,766	-
8320	Share of other comprehensive loss of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		(5,984)	-	-	-
8349	Income tax related to components of other comprehensive income (loss) that will not be reclassified to profit or loss	6(30)	2,635	-	(4,684)	-
8310	Other comprehensive (loss) income that will not be reclassified to profit or loss		(3,391,245)	-	639,501	-
	Components of other comprehensive (loss) income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(21)(22)	(8,743,113)	(1)	6,595,476	1
8368	Losses on hedging instrument	6(21)	-	-	(1,165,532)	-
8370	Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method	6(21) and 7	(5,879)	-	513	-
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(8,748,992)	(1)	5,430,457	1
8300	**Total other comprehensive (loss) income for the year**		($ 12,140,237)	(1)	$ 6,069,958	1
8500	**Total comprehensive income for the year**		$ 1,426,234	-	$ 15,276,043	2
	Profit attributable to:					
8610	Owners of the parent		$ 13,543,724	1	$ 9,112,156	1
8620	Non-controlling interest		22,747	-	93,929	-
			$ 13,566,471	1	$ 9,206,085	1
	Comprehensive (loss) income attributable to:					
8710	Owners of the parent		$ 1,443,048	-	$ 15,130,332	2
8720	Non-controlling interest		(16,814)	-	145,711	-
			$ 1,426,234	-	$ 15,276,043	2
	Earnings per share (in dollars)	6(31)				
9750	Basic earnings per share		$	11.61	$	8.13
9850	Diluted earnings per share		$	11.50	$	8.05

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Equity attributable to owners of the parent											
		Capital					Retained Earnings						
	Notes	Share capital - common stock	Preferred stock	Certificates of bond-to-stock conversion	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Other equity interest	Total	Non-controlling interest	Total equity
2024													
Balance at January 1, 2024		$ 8,873,017	$ 1,350,000	$ 6,540	$ 5,423,396	$ 25,680,674	$ 4,311,098	$ 1,564,387	$ 14,300,632	$ 9,599,039	$ 71,108,783	$ 836,869	$ 71,945,652
Consolidated net income		-	-	-	-	-	-	-	9,112,156	-	9,112,156	93,929	9,206,085
Other comprehensive income	6(21)(22)	-	-	-	-	-	-	-	18,735	5,999,441	6,018,176	51,782	6,069,958
Total comprehensive income		-	-	-	-	-	-	-	9,130,891	5,999,441	15,130,332	145,711	15,276,043
Appropriations of 2023 earnings:	6(20)												
Legal reserve		-	-	-	-	-	406,786	-	(406,786)	-	-	-	-
Reversal of special reserve		-	-	-	-	-	-	(1,564,387)	1,564,387	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	-	-	(2,008,438)	-	(2,008,438)	-	(2,008,438)
Cash dividends for preferred stock		-	-	-	-	-	-	-	(270,000)	-	(270,000)	-	(270,000)
Capital injection	6(18)(19)	2,200,000	-	-	(5,423,396)	21,470,853	-	-	-	-	18,247,457	-	18,247,457
Employee stock options exercised	6(19)	91,790	-	830	-	422,022	-	-	-	-	514,642	-	514,642
Cancellation of employee restricted shares	6(17)(18)	(640)	-	-	-	640	-	-	-	-	-	-	-
Changes in restricted stocks to employees	6(19)(21)	-	-	-	-	(2,947)	-	-	-	2,947	-	-	-
Changes in ownership interests in subsidiaries		-	-	-	-	(2,191)	-	-	98	-	(2,093)	-	(2,093)
Changes in equity of associates accounted for using equity method	6(7)(19)	-	-	-	-	5,549	-	-	-	-	5,549	-	5,549
Compensation cost of share-based payments	6(19)(21)	-	-	-	-	98,884	-	-	-	20,873	119,757	-	119,757
Changes in non-controlling interest	6(22)	-	-	-	-	-	-	-	-	-	-	5,134	5,134
Disposal of financial assets at fair value through other comprehensive income	6(21)(22)	-	-	-	-	-	-	-	4,741,910	(4,741,910)	-	-	-
Changes in redemption liability recognised as other equity	6(21)	-	-	-	-	-	-	-	-	29,569	29,569	-	29,569
Balance at December 31, 2024		$ 11,164,167	$ 1,350,000	$ 7,370	$ -	$ 47,673,484	$ 4,717,884	$ -	$ 27,052,694	$ 10,909,959	$ 102,875,558	$ 987,714	$ 103,863,272
2025													
Balance at January 1, 2025		$ 11,164,167	$ 1,350,000	$ 7,370	$ -	$ 47,673,484	$ 4,717,884	$ -	$ 27,052,694	$ 10,909,959	$ 102,875,558	$ 987,714	$ 103,863,272
Consolidated net income		-	-	-	-	-	-	-	13,543,724	-	13,543,724	22,747	13,566,471
Other comprehensive loss	6(21)(22)	-	-	-	-	-	-	-	(10,542)	(12,090,134)	(12,100,676)	(39,561)	(12,140,237)
Total comprehensive income (loss)		-	-	-	-	-	-	-	13,533,182	(12,090,134)	1,443,048	(16,814)	1,426,234
Appropriations of 2024 earnings:	6(20)												
Legal reserve		-	-	-	-	-	1,387,290	-	(1,387,290)	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	-	-	(6,727,486)	-	(6,727,486)	-	(6,727,486)
Cash dividends for preferred stock		-	-	-	-	-	-	-	(270,000)	-	(270,000)	-	(270,000)
Capital injection	6(18)(19)	900,000	-	-	-	11,140,678	-	-	-	-	12,040,678	-	12,040,678
Share exchange through issuance of new shares	6(18)(19)	474,280	-	-	-	6,305,854	-	-	-	-	6,780,134	-	6,780,134
Issuance of convertible bonds	6(19)	-	-	-	-	185,303	-	-	-	-	185,303	-	185,303
Issuance of employee restricted shares	6(18)(19)(21)	43,340	-	-	-	593,758	-	-	-	(637,098)	-	-	-
Employee stock options exercised	6(17)(18)(19)	64,422	-	1,079	-	266,017	-	-	-	-	331,518	-	331,518
Cancellation of employee restricted shares	6(17)(18)(19)	(350)	-	-	-	350	-	-	-	-	-	-	-
Changes in restricted stocks to employees	6(19)(21)	-	-	-	-	(1,547)	-	-	-	1,547	-	-	-
Changes in ownership interests in subsidiaries	6(19)	-	-	-	-	(2,178)	-	-	-	-	(2,178)	-	(2,178)
Compensation cost of share-based payments	6(19)(21)	-	-	-	-	285,694	-	-	-	26,278	311,972	-	311,972
Changes in equity of associates accounted for using equity method	6(21)	-	-	-	-	-	-	-	-	(35,620)	(35,620)	-	(35,620)
Disposal of financial assets at fair value through other comprehensive income	6(3)(21)	-	-	-	-	-	-	-	896,889	(896,889)	-	-	-
Changes in non-controlling interest	6(21)	-	-	-	-	-	-	-	(254,349)	984,441	730,092	(695,612)	34,480
Balance at December 31, 2025		$ 12,645,859	$ 1,350,000	$ 8,449	$ -	$ 66,447,413	$ 6,105,174	$ -	$ 32,843,640	($ 1,737,516)	$ 117,663,019	$ 275,288	$ 117,938,307

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 17,399,091	$ 11,834,784
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(28)	1,179,757	1,047,720
Amortisation	6(28)	574,608	359,192
Impairment loss determined in accordance with IFRS 9	12(2)	639,996	98,126
Impairment loss on non-financial assets	6(10)	104,320	-
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	6(26)	415,987	(651,699)
Share-based payments	6(17)	332,011	119,757
Share of profit or loss of associates and joint ventures accounted for using equity method	6(7)	(105,251)	22,314
(Gain) loss on disposal of property, plant and equipment, net	6(26)	(20,039)	9,745
Interest expense	6(27)	3,260,674	3,414,912
Interest income	6(24)	(762,233)	(829,108)
Dividend income	6(25)	(316,285)	(258,272)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		(32,739,654)	34,635,992
Other receivables		1,366,930	1,364,316
Inventories		(104,533,540)	(15,251,248)
Prepayments		86,620	(201,430)
Other current assets (including contract assets)		156,270	(167,112)
Changes in operating liabilities			
Financial assets and liabilities at fair value through profit or loss		(380,443)	576,411
Contract liabilities		2,876,116	(403,733)
Accounts payable		134,170,612	3,738,641
Other payables		(1,452,183)	3,063,168
Other current liabilities (including refund liabilities)		582,344	2,746,355
Net defined benefit liability		(188,037)	153,383
Cash inflow generated from operations		22,647,671	45,422,214
Interest received		762,233	829,108
Dividends received		316,285	258,272
Interest paid		(3,211,869)	(3,369,834)
Income taxes paid		(2,908,282)	(712,114)
Net cash flows from operating activities		17,606,038	42,427,646

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WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		($ 26,490)	($ 5,097)
Proceeds from disposal of financial assets at fair value through profit or loss		19,675	14,195
Acquisition of financial assets at fair value through other comprehensive income		(42,554)	(12,500)
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	13,260	8,556,585
Proceeds from capital reduction of financial assets at fair value through other comprehensive income		-	20,866
Decrease (increase) in other financial assets		134,026	(9,500)
Acquisition of property, plant and equipment	6(33)	(1,667,662)	(249,046)
Proceeds from disposal of property, plant and equipment		33,015	41,164
Acquisition of intangible assets	6(10)	(270,981)	(70,096)
Increase in guarantee deposits		(23,021)	(59,501)
Decrease in guarantee deposits		32,172	226,590
Net cash payments for business combination	6(33)	-	(117,455,548)
Decrease in other non-current assets		37,158	115,999
Proceeds from disposal of intangible assets	6(10)	391	-
Net cash flows used in investing activities		(1,761,011)	(108,885,889)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(34)	1,796,762,913	1,719,020,108
Decrease in short-term borrowings	6(34)	(1,806,368,121)	(1,703,763,190)
Increase in short-term notes and bills payable	6(34)	68,261	1,229,506
Proceeds from long-term loans	6(34)	300,152,970	215,502,756
Repayments of long-term loans	6(34)	(332,013,439)	(164,873,980)
Payment of lease liabilities	6(34)	(707,799)	(656,927)
Proceeds from issuing bonds	6(34)	10,836,447	-
Increase (decrease) in other non-current liabilities		62,188	(909,131)
Increase in non-controlling interests	6(33) and 7	(985,795)	-
Cash dividends paid	6(20)	(6,997,486)	(2,278,438)
Employee stock options exercised		331,517	511,695
Capital injection	6(18)	12,040,678	18,247,457
Net cash flows (used in) from financing activities		(26,817,666)	82,029,856
Effect of exchange rate changes on cash and cash equivalents		(616,332)	1,408,564
Net (decrease) increase in cash and cash equivalents		(11,588,971)	16,980,177
Cash and cash equivalents at beginning of year		39,727,726	22,747,549
Cash and cash equivalents at end of year		$ 28,138,755	$ 39,727,726

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

1. HISTORY AND ORGANISATION

WT Microelectronics Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in the sales of electronic, communication components, and their components, as well as general import and export trade.

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

These consolidated financial statements were reported to the Board of Directors on March 3, 2026.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

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

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

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

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

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027 (Note)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Amendments to IAS 21, 'Translation to a Hyperinflationary Presentation Currency'	January 1, 2027

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

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

IFRS 18, 'Presentation and disclosure in financial statements'

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1) Compliance statement

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

(2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:
   (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
   (b) Financial assets at fair value through other comprehensive income.
   (c) Defined benefit assets (liabilities) recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:
   (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
   (b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) December 31, 2025	Ownership (%) December 31, 2024	Note
WT Microelectronics Co., Ltd.	Wintech Microelectronics Holding Limited	Investment Company	100	100	
WT Microelectronics Co., Ltd.	Morrihan International Corp.	Trading Company	100	100	
WT Microelectronics Co., Ltd.	BSI Semiconductor Pte. Ltd.	Investment Company	100	100	
WT Microelectronics Co., Ltd.	Nuvision Technology Inc.	Trading Company	100	100	
WT Microelectronics Co., Ltd.	Milestone Investment Co., Ltd.	Investment Company	-	100	(f)
WT Microelectronics Co., Ltd.	SinYie Investment Co., Ltd.	Investment Company	-	-	(b)
WT Microelectronics Co., Ltd.	Techmosa International Inc.	Trading Company	-	100	(j)
WT Microelectronics Co., Ltd.	MSD Holdings Pte. Ltd.	Trading Company	-	100	(h)
WT Microelectronics Co., Ltd.	Maxtek Technology Co., Ltd.	Trading Company	100	100	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) December 31, 2025	Ownership (%) December 31, 2024	Note
WT Microelectronics Co., Ltd.	Analog World Co., Ltd.	Trading Company	-	100	(k)
WT Microelectronics Co., Ltd.	WT Semiconductor Holdings Pte. Ltd.	Investment Company	-	80	(e) (l)
WT Microelectronics Co., Ltd.	WT Solomon QCE Ltd.	Trading Company	100	100	
WT Microelectronics Co., Ltd.	WT Microelectronics (Hong Kong) Limited	Trading Company	100	100	
WT Microelectronics Co., Ltd.	WT Technology (H.K.) Limited	Trading Company	-	100	(i)
WT Microelectronics Co., Ltd.	WT Microelectronics Singapore Pte. Ltd.	Trading Company	100	100	
WT Microelectronics Co., Ltd.	WT Technology Pte. Ltd.	Trading Company	100	100	
WT Microelectronics Co., Ltd.	Future Electronics Inc.	Trading Company	51	51	
WT Microelectronics Co., Ltd.	MORRIHAN SINGAPORE PTE. LTD.	Trading Company	100	-	(m)
Wintech Microelectronics Holding Limited	WT Microelectronics (Shanghai) Co., Ltd.	Trading Company	100	100	
Wintech Microelectronics Holding Limited	Promising Investment Limited	Investment Company	100	100	
Wintech Microelectronics Holding Limited	Wintech Microelectronics Ltd.	Trading Company	100	100	
Wintech Microelectronics Holding Limited	Wintech Investment Co., Ltd.	Investment Company	100	100	
BSI Semiconductor Pte. Ltd.	Wonchang Semiconductor Co., Ltd.	Trading Company	100	100	
BSI Semiconductor Pte. Ltd.	WT Technology Korea Co., Ltd.	Trading Company	4.53	4.53	
Morrihan International Corp.	Asia Latest Technology Limited	Investment Company	100	100	
Morrihan International Corp.	Future Electronics Inc.	Trading Company	49	49	
Promising Investment Limited	Nino Capital Co., Ltd.	Investment Company	100	100	
Promising Investment Limited	Rich Web Ltd.	Investment Company	100	100	
Wintech Investment Co., Ltd.	WT Microelectronics (Malaysia) Sdn. Bhd.	Selling and Technology Servicing	-	100	(d)

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) December 31, 2025	Ownership (%) December 31, 2024	Note
Wintech Investment Co., Ltd.	WT Technology Korea Co., Ltd.	Trading Company	95.47	95.47	
Nino Capital Co., Ltd.	Shanghai WT Microelectronics Co., Ltd.	Trading Company	100	100	
Rich Web Ltd.	WT Microelectronics (Shenzhen) Co., Ltd.	Trading Company	100	100	
WT Microelectronics Singapore Pte. Ltd.	Brillnics Inc.	Investment Company	60.03	60.34	(a) (c)
WT Microelectronics Singapore Pte. Ltd.	WT Microelectronics (Thailand) Co., Limited.	Selling and Technology Servicing	100	100	
WT Microelectronics Singapore Pte. Ltd.	WT Microelectronics India Private Limited	Selling and Technology Servicing	100	100	
WT Microelectronics Singapore Pte. Ltd.	Wintech Microelectronics (Malaysia) Sdn. Bhd.	Selling and Technology Servicing	100	-	(d)
WT Microelectronics Singapore Pte. Ltd.	WT Semiconductor Holdings Pte ltd.	Investment Company	100	-	(l)
Asia Latest Technology Limited	WT Microelectronics (Shanghai) Technology Co., Ltd.	Selling and Technology Servicing	100	100	
Techmosa International Inc.	Morrihan Singapore Pte. Ltd.	Trading Company	-	100	(m)
Maxtek Technology Co., Ltd.	HongTech Electronics Co., Ltd.	Trading Company	100	100	
Maxtek Technology Co., Ltd.	Lacewood International Corp.	Trading Company	100	100	
Brillnics Inc.	Brillnics (HK) Limited	Selling and Technology Servicing	100	100	
Brillnics Inc.	Brillnics Singapore Pte. Ltd.	Trading Company	100	100	
Brillnics (HK) Limited	Brillnics Japan Inc.	Research and Development Company	100	100	
Brillnics (HK) Limited	Brillnics (Taiwan) Inc.	Research and Development Company	100	100	
WT Semiconductor Holdings Pte. Ltd.	Excelpoint Technology Pte. Ltd.	Investment Company	100	100	

Analog World Co., Ltd.	Leader's Technology Co., Ltd.	Selling and Technology Servicing	-	100	(g)

(a) Employees of BRILLNICS INC. exercised employee stock options in installments for the years ended December 31, 2025 and 2024 and accordingly, the shareholder ratio decreased to 60.03% and 60.34%, respectively.

(b) In November 2024, SINYIE INVESTMENT CO., Ltd. had been dissolved and liquidated.

(c) In January 2024, WT MICROELECTRONICS SINGAPORE PTE. LTD. directly held all the equity interest in BRILLNICS INC. in response to the adjustment of the Group's organisational structure.

(d) In March 2025, WT MICROELECTRONICS SINGAPORE PTE. LTD. directly held all the equity interest of WT MICROELECTRONICS (MALAYSIA) SDN. BHD. in response to the adjustment of the Group's organisational structure.

(e) The Group acquired 20% equity interest of WT SEMICONDUCTOR HOLDINGS PTE. LTD. by cash from the non-controlling interests shareholders in February 2025. As a result, the Group's equity interest increased from 80% to 100% and WT SEMICONDUCTOR HOLDINGS PTE. LTD. became a wholly-owned subsidiary of the Group.

(f) MILESTONE INVESTMENT CO., LTD. conducted a short-form merger with the Company (effective date set on March 1, 2025) and the registration had been completed on April 9, 2025.

(g) On June 30, 2025, LEADER'S TECHNOLOGY CO., LTD. had been dissolved and liquidated.

(h) On August 21, 2025, MSD HOLDINGS PTE. LTD. had been dissolved and liquidated.

(i) On August 22, 2025, WT TECHNOLOGY(H.K.) LTD. had been dissolved and liquidated.

(j) TECHMOSA INTERNATIONAL INC. conducted a short-form merger with the Company (effective date set on November 30, 2025) and the registration had been completed on December 18, 2025.

(k) On November 12, 2025, ANALOG WORLD CO., LTD. had been dissolved and liquidated.

(l) In December 2025, WT MICROELECTRONICS SINGAPORE PTE. LTD. directly held all the equity interest of WT SEMICONDUCTOR HOLDINGS PTE. LTD. in response to the adjustment of the Group's organisational structure. The registration had been completed on December 3, 2025.

(m) In December 2025, The Company directly held all the equity interest of MORRIHAN SINGAPORE PTE. LTD. in response to the adjustment of the Group's organisational structure. The registration had been completed on February 11, 2026.

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

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

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

		Non-controlling interest	
		December 31, 2024	
Name of Subsidiary	Principal place of business	Amount	Ownership (%)
WT Semiconductor Holdings Pte. Ltd.	Singapore	$ 742,022	20%

Summarised financial information of WT Semiconductor Holdings Pte. Ltd.:

Balance Sheet

	December 31, 2024
Current assets	$ 10,762,516
Non-current assets	2,014,113
Current liabilities	(7,756,993)
Non-current liabilities	(142,206)
Total net assets	$ 4,877,430

Statement of comprehensive income

	January 1 to February 17, 2025 (Effective Date)	Years ended December 31, 2024
Revenue	$ 2,811,611	$ 42,108,667
Loss for the period from continuing operations	(48,293)	(401,705)
Other comprehensive loss, net of tax	(1,987)	(3,512)
Total comprehensive loss for the period	($ 50,280)	($ 405,217)
Comprehensive loss attributable to non-controlling interest	($ 481)	($ 29,768)
Dividends paid to non-controlling interest	$ -	$ -

Statement of cash flows

	January 1 to February 17, 2025 (Effective Date)	Years ended December 31, 2024
Net cash flows used in operating activities	($ 992,603)	($ 507,130)
Net cash flows from investing activities	62	24,261
Net cash flows from financing activities	584,324	107,324
Effect of exchange rate changes on cash and cash equivalents	3,024	110,328
Decrease in cash and cash equivalents	(405,193)	(265,217)
Cash and cash equivalents at beginning of period	1,260,763	1,525,980
Cash and cash equivalents at end of perio	$ 855,570	$ 1,260,763

The summarised financial information of the subsidiaries stated above were based on each subgroup's consolidated balance sheets, consolidated statements of comprehensive income and consolidated statements of cash flows in their respective presentation currencies and translated into New Taiwan Dollars at the closing exchange rate at the corresponding balance sheet date and average exchange rate for the current period, respectively.

(4) Foreign currency translation

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

B. Foreign currency transactions and balances

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

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses.'

C. Translation of foreign operations

(a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, if the Group retains partial interest in the former foreign associate or joint arrangement after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangement, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
(a) Liabilities that are expected to be settled in the normal operating cycle;
(b) Liabilities that are held primarily for the purpose of trading;
(c) Liabilities that are due to be settled within twelve months after the reporting period;
(d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

A. These are financial assets that are not measured at amortised cost or at fair value through other comprehensive income and are held for trading if acquired principally for the purpose of repurchasing in the short term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.
B. On a regular way purchase or sale basis, financial assets and liabilities at fair value through profit or loss are recognised and derecognised using trade date accounting.
C. At initial recognition, the Group measures the financial assets and financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.
D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

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

(9) Accounts and notes receivable

A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are initial recognised and subsequently measured at initial invoice amount as the effect of discounting is immaterial.

C. The Group's operating pattern of accounts receivable that are expected to be factored is for the purpose of receiving contract cash flow and selling, and the accounts receivable are subsequently measured at fair value, with any changes in fair value recognised in other comprehensive income.

(10) Impairment of financial assets

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

(11) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

A. The contractual rights to receive the cash flows from the financial asset expire.

B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows of the financial asset have been transferred, however, the Group has not retained control of the financial asset.

(12) Leasing arrangements (lessor) - operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(13) Inventories

A. The cost of inventories includes the purchase price, import duties and other costs directly attributable to the acquisition of goods. The discount, allowance and others alike should be deducted from the cost.

B. Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(14) Investments accounted for using equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or

indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for using equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

F. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

H. As of the balance sheet date, the Group conducts impairment tests for related parties that show signs of impairment. The entire carrying amount of the investment (including goodwill) is treated

as a single asset and compared with its recoverable amount (the higher of value in use or fair value less costs to sell). Any recognized impairment loss is included in the carrying amount of the investment. Reversals of impairment losses are recognized to the extent that the recoverable amount of the investment subsequently increases.

(15) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings	27 ~ 56 years
Office equipment	2 ~ 25 years
Other assets	2 ~ 15 years

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

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the Group's incremental borrowing interest rate. Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable; and

(b) Variable lease payments that depend on an index or a rate.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset

when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
   (a) The amount of the initial measurement of lease liability;
   (b) Any lease payments made at or before the commencement date; and
   (c) Any initial direct costs incurred by the lessee.

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

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

(17) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 27 ~ 56 years.

(18) Intangible assets

A. Goodwill arises in a business combination accounted for by applying the acquisition method.
B. Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 2 ~ 5 years.
C. Other intangible assets, mainly customer relationship, are recorded at cost and amortised on a straight-line basis over the estimated useful life of 5 ~ 26.74 years.

(19) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.
B. The recoverable amount of goodwill shall be evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.
C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to

benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(20) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are initial recognised and subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(21) Borrowings

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

B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs.

(22) Convertible corporate bonds

Convertible bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

A. The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

B. The embedded conversion options which meet the definition of an equity instrument are initially recognised in 'capital surplus—share options' at the residual amount of total issue price less the amount of 'bonds payable' as stated above. Conversion options are not subsequently remeasured.

C. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.

D. When bondholders exercise conversion options, the liability component of the bonds shall be remeasured on the conversion date. The issuance cost of converted common shares is the total carrying amount of the abovementioned liability component and 'capital surplus—share options'.

(23) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged

or cancelled or expires.

(24) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(25) Hedge accounting

A. At the inception of the hedging relationship, there is formal designation and documentation of the hedging relationship and the Group's risk management objective and strategy for undertaking the hedge. That documentation shall include identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements.

B. The Group designates the hedging relationship as follows:

(a) Hedge of a net investment in a foreign operation.

C. Hedges of a net investment in a foreign operation

(a) It is accounted for similarly to cash flow hedges.

(b) The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income. The ineffective portion is recognised in profit or loss.

(c) The cumulative gain or loss on the hedging instrument relating to the effective portion of the hedge that has been accumulated in the foreign currency translation reserve shall be reclassified from equity to profit or loss as a reclassification adjustment.

(26) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The

rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(27) Employee share-based payment

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

B. The grant date of cash capital increase reserved for employee preemption is the date at which the entity and the employee agree to a share-based payment arrangement, being when the entity and the counterparty have a shared understanding of the terms and conditions of the arrangement.

C. Restricted stocks:

(a) Restricted stocks issued to employees are measured at the fair value of the equity instruments granted at the grant date and are recognised as compensation cost over the vesting period.

(b) For restricted stocks where those stocks do not restrict distribution of dividends to employees and employees are not required to return the dividends received if they resign during the vesting period, the Group recognises the fair value of the dividends received by the employees who are expected to resign during the vesting period as compensation cost at the date of dividends declared.

(28) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the shareholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

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

F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from research and development expenditures to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

G. The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the

interim period, and the related information is disclosed accordingly.

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

(29) Share capital

A. Common stock is classified as equity. The classification of preferred stocks is determined according to the special rights attached to the preferred stocks based on the substance of the contract and the definition of financial liabilities and equity instruments. Preferred stocks are classified as liabilities when they have the basic characteristics of financial liabilities; otherwise, they are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their carrying amount and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(30) Dividends paid

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders or Board of Directors. Cash dividends are recorded as liabilities.

(31) Revenue recognition

A. Sales of goods

(a) The Group sells electronic components. Sales are recognised when the control of the products has been transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(b) The goods are often sold with discounts based on aggregate sales. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated sales discounts and allowances. Accumulated experience is used to estimate and provide for the sales discounts and allowances, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected discounts payable to

customers in relation to sales made until the end of the reporting period. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.

(c) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The customer pays at the time specified in the payment schedule. If the payments exceed the merchandise provided, a contract liability is recognised.

B. Services

(a) The Group provides semiconductor development services. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided at the end of the reporting period in a proportion to the total services to be provided. This is determined based on the contract costs incurred for services performed to the estimated total cost for the service contract. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

(b) The Group's estimate about revenue, costs and progress towards complete satisfaction of a performance obligation is subject to a revision whenever there is a change in circumstances. Any increase or decrease in revenue or costs due to an estimate revision is reflected in profit or loss during the period when the management become aware of the changes in circumstances.

(32) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the

acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(33) Operating segments

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

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

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

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

Revenue recognition on a net/gross basis

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for the other party to provide those goods or services (i.e. the Group is an agent) based on the transaction model and its economic substance. The Group is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Group recognises revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Group is an agent if its performance obligation is to arrange for the provision of goods or services by another party. The Group recognises revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Group controls the goods or services before it is provided to a customer include the following:

A. The Group is primarily responsible for the provision of goods or services.
B. The Group assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer.
C. The Group has discretion in establishing prices for the goods or services.

(2) Critical accounting estimates and assumptions

A. Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgement, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related

cash-generating units, and determining the recoverable amounts of related cash-generating units. Refer to Note 6(10) for goodwill impairment as of December 31, 2025.

B. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the estimated selling price in the ordinary course of business within the specified period before the balance sheet date. Therefore, there might be material changes to the evaluation. Refer to Note 6(6) for the carrying amount of inventory as of December 31, 2025.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash on hand and revolving funds	$ 3,407	$ 41,013
Checking accounts and demand deposits	27,678,508	39,172,931
Time deposits	456,840	513,782
	$ 28,138,755	$ 39,727,726

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

B. The Group's deposits with banks that have been pledged as collateral were classified as 'other current assets.' Refer to Note 8 for details. As of December 31, 2025 and 2024, the time deposits with maturity date over 3 months of $435,560 and $590,551, respectively, are recorded as 'other current assets.'

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

Assets	December 31, 2025	December 31, 2024
Current items:		
Equity instruments	$ 5,912	$ 5,486
Derivatives	14,126	13,812
	$ 20,038	$ 19,298
Non-current items:		
Beneficiary certificates	$ 338,658	$ 341,765
Debt instruments	1,236	33,686
Hybrid instruments	38,518	16,377
	$ 378,412	$ 391,828

Liabilities	December 31, 2025	December 31, 2024
Current items:		
Derivatives	$ 22,616	$ 138

A. Amounts recognised in profit or loss in relation to financial assets and liabilities measured at fair value through profit or loss are as follows:

	Years ended December 31,	
	2025	2024
Derivatives	($ 399,533)	$ 631,795
Beneficiary certificates	10,812	37,999
Equity instruments	425	(291)
Debt instruments	(25,750)	(17,451)
Hybrid instruments	(1,941)	(353)
	($ 415,987)	$ 651,699

B. The non-hedging derivative financial assets and liabilities and contract information are as follows:

	December 31, 2025		
Derivative financial assets	Contract amount (Notional principal) (In thousands)		Contract period
Current items:			
Forward foreign exchange contracts	USD(BUY)	133,083	2025.12.29~2026.1.30
Derivative financial liabilities			
Current items:			
Forward foreign exchange contracts	USD(BUY)	225,000	2025.12.29~2026.1.30

	December 31, 2024		
Derivative financial assets	Contract amount (Notional principal) (In thousands)		Contract period
Current items:			
Forward foreign exchange contracts	USD(BUY)	287,866	2024.12.27~2025.2.20
Derivative financial liabilities			
Current items:			
Forward foreign exchange contracts	USD(BUY)	51,939	2024.12.27~2025.2.20

The Group entered into forward foreign exchange contracts to buy USD to hedge exchange rate risk of foreign currency. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

C. For the derivative transactions, the Group deals with a variety of financial institutions all with high credit quality, so it expects that the probability of counterparty default is remote.

D. The Group has no financial assets measured at fair value through profit or loss pledged to others.

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

Items	December 31, 2025	December 31, 2024
Current items:		
Equity instruments	$ 291,065	$ 367,589
Non-current items:		
Equity instruments	$ 6,137,993	$ 11,662,725

A. The Group has elected to classify certain strategic investments in the aforementioned equity instruments, including publicly listed and privately held companies, as financial assets measured at fair value through other comprehensive income.

B. The Group sold $8,556,585 of listed shares at fair value to satisfy its operating capital needs which resulted in a cumulative gain on disposal of $4,744,793.

C. On October 1, 2025, the Company acquired the equity interest in NICHIDENBO CORPORATION through the issuance of new shares. After the share exchange, the Company held 35.47% and thereby had significant influence over NICHIDENBO CORPORATION. Thus, the investments in the entity were reclassified as 'investments accounted for using equity method' and were regarded as sale and repurchase. The gains on accumulated changes in fair value (shown as unappropriated retained earnings) amounted to $896,889.

D. Refer to Note 6(21) for information on changes in fair value recognised in other comprehensive income for the years ended December 31, 2025 and 2024.

E. The Group has no financial assets measured at fair value through other comprehensive income pledged to others as of December 31, 2025 and 2024.

(4) Notes and accounts receivable

	December 31, 2025	December 31, 2024
Notes receivable	$ 1,524,492	$ 2,064,637
Accounts receivable	169,065,445	140,291,069
Less: Allowance for uncollectible accounts	(571,561)	(261,598)
Notes and accounts receivable, net	170,018,376	142,094,108
Overdue receivables	817,968	444,849
Less: Allowance for uncollectible accounts	(817,968)	(444,849)
	$ 170,018,376	$ 142,094,108

A. As of December 31, 2025 and 2024, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2024, the balance of accounts receivable and notes receivable amounted to $112,373,574.

B. Transferred financial assets that are derecognised in their entirety

(a) As of December 31, 2025 and 2024, the Group had outstanding discounted notes receivable amounting to $3,035,737 and $3,747,629, respectively. However, as the notes receivable are bank's acceptance bills and are discounted without right of recourse, those discounted notes receivable were deducted directly from notes receivable.

(b) The Group entered into factoring agreements with domestic financial institutions to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognised the transferred accounts receivable, and the related information is as follows:

	December 31, 2025	December 31, 2024
Accounts receivable transferred (Amount derecognised)	$ 43,840,245	$ 60,151,762
Amount advanced	$ 42,207,216	$ 58,804,152
Amount retained (shown as 'other receivables')	$ 1,633,029	$ 1,347,610

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

C. Transferred financial assets that are not derecognised in their entirety

(a) The Group entered into factoring agreements with domestic financial institutions to sell its accounts receivable. Under the agreement, the Group can transfer non-L/C accounts receivable financing to financial institutions, and the banks have the right of recourse to the transferred accounts receivable. For accounts receivable that will not be recovered in the specific period, the Group will retain risk and returns of such accounts receivable. Accordingly, the Group did

not derecognise the accounts receivable where the banks have the right of recourse, and related advance payments were listed in 'short-term borrowings.'

(b) On December 31, 2025 and 2024, the Group has no accounts receivable for sales and advance payments.

D. As of December 31, 2025 and 2024, the interest rates for amounts advanced ranged between 1.78%~5.074% and 1.85%~6.058%, respectively.

E. As of December 31, 2025 and 2024, the total limits of the accounts receivable factoring were $313,206,447 and $136,467,204, respectively.

F. As of December 31, 2025 and 2024, the Group has issued a promissory note of $176,568,771 and $197,633,122, respectively, as performance guarantee against any business dispute.

G. Refer to Note 6(27) for information on financing charges on accounts receivable factoring for the three months and years ended December 31, 2025 and 2024.

H. As of December 31, 2025 and 2024, the Group's accounts receivable that are expected to be factored were classified as financial assets at fair value through other comprehensive income in the amounts of $67,619,449 and $28,411,490, respectively, and recorded as 'accounts receivable.'

I. The Group took out a credit insurance on the accounts receivable from certain main customers, whereby 80%~90% of the receivable amount can be covered when the receivables are uncollectible. As at December 31, 2025 and 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable was the carrying amount of the notes and accounts receivable.

J. The Group has no accounts receivable pledged to others.

K. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(5) Other receivables

	December 31, 2025	December 31, 2024
Amounts retained for accounts receivable factoring	$ 1,633,029	$ 1,347,610
VAT refund receivable	622,845	3,421,695
Input tax	409,634	496,876
Customs duties refund receivable	250,552	427,372
Government subsidies	244,143	-
Others	553,093	262,932
	$ 3,713,296	$ 5,956,485

(6) Inventories

	December 31, 2025	December 31, 2024
Merchandise inventory	$ 261,298,094	$ 162,563,495
Less: Allowance for inventory obsolescence and market value decline	(1,537,733)	(1,635,621)
	$ 259,760,361	$ 160,927,874

The cost recognised as expense for the period:

	Years ended December 31,	
	2025	2024
Cost of inventories sold	$ 1,130,036,369	$ 921,401,726
Services cost	349,593	385,833
(Gain on reversal of) loss on decline in market value	(60,905)	42,963
Loss on disposal of inventory	-	514
Loss on physical inventory	23	(1,209)
	$ 1,130,325,080	$ 921,829,827

For the year ended December 31, 2025, the Group reversed a previous inventory write-down which was accounted for as reduction of cost of goods sold because the Group sold some inventories with net realisable value lower than its cost.

(7) Investments accounted for using equity method

	2025	2024
At January 1	$ 31,612	$ 44,539
Addition of investments accounted for using equity method	9,052,604	-
Changes in capital surplus	-	5,549
Share of loss of investments accounted for using equity method	105,251	(22,314)
Changes in other equity items	(48,851)	3,838
At December 31	$ 9,140,616	$ 31,612

Associates:

A. The basic information of the Group's significant associates is as follows:

		Shareholding ratio		
Company name	Principal place of business	December 31, 2025	Relationship type	Measurement method
NICHIDENBO CORPORATION	Taiwan	35.47%	Significant influence	Equity method

B. The consolidated financial information of the Group’s associates is as follows:

Balance Sheet

	NICHIDENBO CORPORATION
	As of December 31, 2025
Current Assets	$ 10,305,913
Non-current Assets	9,868,558
Current Liabilities	(6,015,257)
Non-current Liabilities	(288,697)
Total Net Assets	$ 13,870,517
Share of Net Assets in Associates	$ 4,900,179
Goodwill	2,986,998
Others	1,234,240
Book value of associates	$ 9,121,417

Comprehensive income statement

	NICHIDENBO CORPORATION
	Year ended December 31, 2025
Revenue	$ 15,727,845
Net Profit from Continuing Operations	$ 1,275,493
Other Comprehensive Income (Net of Tax)	37,672
Total Comprehensive Income for the Period	$ 1,313,165
Dividends Received from Associates	$ -

C. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarised below:

	Years ended December 31,	
	2025	2024
Loss for the period from continuing operations	($ 10,833)	($ 22,314)
Other comprehensive (loss) income, net of tax	(211)	1,192
Total comprehensive loss	($ 11,044)	($ 21,122)

JCD OPTICAL (CAYMAN) LTD. increased its capital amounting to $50,125 in February 2024. The Group did not acquire shares proportionally to its interest. As a result, the shareholder ratio changed to 16.94% and capital surplus increased by $5,549.

D. The Group's major associates with publicly quoted market prices have the following fair values:

	As of December 31, 2025
NICHIDENBO CORPORATION	$ 10,036,800

E. On October 1, 2025, the Company acquired the equity interest in NICHIDENBO

CORPORATION through the issuance of new shares. Please refer to Notes 6(3) and 6(18) for details. After the share exchange, the Company is the single largest shareholder of NICHIDENBO CORPORATION with a 35.47% equity interest. Given that the Company does not hold the voting rights of more than half of its shareholders attendance rate, which indicates that the Company has no current ability to direct the relevant activities of NICHIDENBO CORPORATION, the Company has no control, but only has significant influence, over the investee.

(8) Property, plant and equipment

	Land	Buildings	Office equipment	Others	Total
At January 1, 2025					
Cost	$484,872	$ 2,547,206	$ 6,000,969	$ 1,813,430	$ 10,846,477
Accumulated depreciation and impairment	-	(728,628)	(5,400,858)	(1,525,469)	(7,654,955)
	$484,872	$ 1,818,578	$ 600,111	$ 287,961	$ 3,191,522
2025					
Opening net book amount	$484,872	$ 1,818,578	$ 600,111	$ 287,961	$ 3,191,522
Acquired from business combinations	-	-	-	-	-
Additions	-	1,172,174	344,647	144,780	1,661,601
Disposals	-	-	(3,072)	(9,904)	(12,976)
Reclassifications	-	363,426	(15,423)	5,249	353,252
Depreciation charge	-	(81,618)	(214,321)	(101,513)	(397,452)
Net exchange differences	(13,276)	(7,660)	41,782	(98,142)	(77,296)
Closing net book amount	$471,596	$ 3,264,900	$ 753,724	$ 228,431	$ 4,718,651
At December 31, 2025					
Cost	$471,596	$ 4,100,482	$ 6,012,378	$ 1,569,560	$ 12,154,016
Accumulated depreciation and impairment	-	(835,582)	(5,258,654)	(1,341,129)	(7,435,365)
	$471,596	$ 3,264,900	$ 753,724	$ 228,431	$ 4,718,651

	Land	Buildings	Office equipment	Others	Total
At January 1, 2024					
Cost	$163,048	$ 840,435	$ 777,534	$ 764,443	$ 2,545,460
Accumulated depreciation and impairment	-	(134,188)	(567,587)	(581,155)	(1,282,930)
	$163,048	$ 706,247	$ 209,947	$ 183,288	$ 1,262,530
2024					
Opening net book amount	$163,048	$ 706,247	$ 209,947	$ 183,288	$ 1,262,530
Acquired from business combinations	284,878	1,179,486	433,841	225,971	2,124,176
Additions	1,382	-	157,072	97,674	256,128
Disposals	-	-	(5,003)	(45,906)	(50,909)
Reclassifications	-	(37,326)	6,742	(72,966)	(103,550)
Depreciation charge	-	(61,421)	(207,365)	(99,875)	(368,661)
Net exchange differences	35,564	31,592	4,877	(225)	71,808
Closing net book amount	$484,872	$ 1,818,578	$ 600,111	$ 287,961	$ 3,191,522
At December 31, 2024					
Cost	$484,872	$ 2,547,206	$ 6,000,969	$ 1,813,430	$ 10,846,477
Accumulated depreciation and impairment	-	(728,628)	(5,400,858)	(1,525,469)	(7,654,955)
	$484,872	$ 1,818,578	$ 600,111	$ 287,961	$ 3,191,522

A. Office and other equipment as at December 31, 2025 and 2024 were for the Group's own use and not for lease.

B. Regarding the property, plant and equipment arising from the Group's business combination for the years ended December 31, 2024, refer to Note 6(32) for details.

(9) Leasing arrangements - lessee

A. The Group leases various assets including land, office and warehouse. Except for right-of-use land for periods of 20 to 50 years, the rental contracts are typically made for periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of twelve months or less comprise certain offices, business vehicles, parking space and printers.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2025	December 31, 2024
	Carrying amount	Carrying amount
Land	$ -	$ 357,096
Buildings and structures	1,778,703	1,898,780
	$ 1,778,703	$ 2,255,876

	Years ended December 31,	
	2025	2024
	Depreciation charge	Depreciation charge
Land	$ -	$ 7,856
Buildings and structures	778,856	667,834
	$ 778,856	$ 675,690

D. For the years ended December 31, 2025 and 2024, the additions to right-of-use assets (including the amounts acquired through business combinations) were $780,751 and $515,992, respectively. Regarding the right-of-use assets arising from the Group's business combination for the years ended December 31, 2024, refer to Note 6(32) for details.

E. The information on income or expense accounts relating to lease contracts is as follows:

	Years ended December 31,	
	2025	2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 66,680	$ 67,760
Expense on short-term lease contracts	386,680	281,186

F. For the years ended December 31, 2025 and 2024, the Group’s total cash outflow for leases were $1,161,159 and $1,005,873, respectively.

(10) Intangible assets

	Goodwill	Software	Customer relationship	Total
At January 1, 2025				
Cost	$ 32,428,594	$ 1,469,403	$ 8,968,212	$ 42,866,209
Accumulated amortisation and impairment	(228,208)	(1,295,446)	(495,450)	(2,019,104)
	$ 32,200,386	$ 173,957	$ 8,472,762	$ 40,847,105
2025				
Opening net book amount	$ 32,200,386	$ 173,957	$ 8,472,762	$ 40,847,105
Additions	-	270,981	-	270,981
Disposal	-	(391)	-	(391)
Amortisation charge (shown as 'general and administrative expenses')	-	(154,749)	(419,859)	(574,608)
Impairment loss	(87,419)	-	(16,901)	(104,320)
Net exchange differences	(1,255,980)	(6,433)	(347,785)	(1,610,198)
Closing net book amount	$ 30,856,987	$ 282,347	$ 7,688,217	$ 38,827,551
At December 31, 2025				
Cost	$ 31,172,367	$ 1,525,398	$ 8,606,635	$ 41,304,400
Accumulated amortisation and impairment	(315,380)	(1,243,051)	(918,418)	(2,476,849)
	$ 30,856,987	$ 282,347	$ 7,688,217	$ 38,827,551

	Goodwill	Software	Customer relationship	Total
At January 1, 2024				
Cost	$ 3,008,793	$ 173,941	$ 692,869	$ 3,875,603
Accumulated amortisation and impairment	(228,202)	(142,996)	(164,770)	(535,968)
	$ 2,780,591	$ 30,945	$ 528,099	$ 3,339,635
2024				
Opening net book amount	$ 2,780,591	$ 30,945	$ 528,099	$ 3,339,635
Acquired from business combinations	28,611,359	-	8,073,255	36,684,614
Additions	-	70,096	-	70,096
Reclassifications	-	104,414	-	104,414
Amortisation charge (shown as 'general and administrative expenses')	-	(34,071)	(325,121)	(359,192)
Net exchange differences	808,436	2,573	196,529	1,007,538
Closing net book amount	$ 32,200,386	$ 173,957	$ 8,472,762	$ 40,847,105
At December 31, 2024				
Cost	$ 32,428,594	$ 1,469,403	$ 8,968,212	$ 42,866,209
Accumulated amortisation and impairment	(228,208)	(1,295,446)	(495,450)	(2,019,104)
	$ 32,200,386	$ 173,957	$ 8,472,762	$ 40,847,105

A. Goodwill is allocated to the Group's cash-generating units identified according to operating segment as follows:

	December 31, 2025	December 31, 2024
Canada	$ 28,111,559	$ 29,299,473
Greater China Region	1,192,266	1,202,104
All other segments	1,553,162	1,698,809
	$ 30,856,987	$ 32,200,386

B. Goodwill is allocated to the Group's cash-generating units identified according to operating segment. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management covering a five-year period.

The future cash flows were estimated based on the annual revenue, gross profit and other operating expenses in the future. Management determined budgeted gross profit based on past performance and their expectations of market development. The Group's accrued average annual revenue growth rate for the years ended December 31, 2025 and 2024 were 6.81% ~8% and 0%~6.96%, respectively; the assumption used for discount rate is the weighted average capital cost of the Group. As of December 31, 2025 and 2024, the key valuations used for pre-tax discount rate to reflect risk of related cash-generating units were 6.02% ~10.06% and

4.93%~8.53%, respectively. Based on the aforementioned assessment, the Group recognised impairment loss amounting to $104,320 and $0 for the years ended December 31, 2025 and 2024, respectively.

C. There were no intangible assets that were pledged to others.

D. The intangible assets increased in the Group during the year 2024 due to business combinations are detailed in Note 6 (32).

(11) Short-term borrowings

	December 31, 2025	December 31, 2024
Credit loans	$ 25,569,230	$ 35,412,779
Interest rates per annum	1.90%~4.55%	1.87%~5.03%

(12) Short-term notes and bills payable

	December 31, 2025	December 31, 2024
Commercial paper	$ 1,700,000	$ 1,600,000
Amortisation of discount	(908)	(1,032)
	$ 1,699,092	$ 1,598,968
Coupon rate	1.55%~1.80%	1.66%~1.91%

The notes and bills were issued under securities and acceptance offered by the financial institutions to fund short-term capital. The issuance period is within 90 days.

(13) Other payables

	December 31, 2025	December 31, 2024
Salaries and bonuses payable	$ 3,972,590	3,398,715
Accrued VAT payable	695,248	3,109,010
Insurance expense payable	378,060	257,042
Freight payable	318,401	293,444
Services payable	186,642	191,672
Finance costs payable	112,697	136,888
Technical service fees payable	19,634	32,614
Others	1,194,057	1,590,085
	$ 6,877,329	$ 9,009,470

(14) Bonds payable

	As of December 31, 2025	As of December 31, 2024
Bonds Payable	$ 11,276,424	$ -
Less: Discount on Bonds Payable	(574,525)	-
	$ 10,701,899	$ -

A. The company issued the overseas unsecured convertible bonds and completed the pricing as approved by the competent authority. The terms are as follows:

(a) The total issuance amounted to USD 350 million, with a coupon rate of 0%, and the bonds matured 2 years from November 24, 2025 to November 24, 2027. The convertible bonds will be fully redeemed at the face value in cash at the maturity date. The bonds were listed on the Singapore Exchange on November 24, 2025. Upon maturity, the convertible bonds will be redeemed by the Company in USD at the yielding rate, which is the face value plus an annual interest rate of 1.125% (calculated once semi-annually).

(b) Except for the bonds redeemed early, repurchased and retired, bonds that were converted by their bondholders and the mandatory stop transfer period regulated by the relevant laws and agreed in the bond indenture separately, the bondholders have the right to ask for conversion of the bonds into newly issued common shares of the Company in accordance with the relevant regulation and the bond indenture during the period from the date after three months of the bonds issue (excluding the issuance date) to 10 days before the maturity date, or on the day that the bondholders exercise the put option, or the fifth business day before the issue company exercise the redemption (excluding the issuance date).

(c) The conversion price of the bonds is set up based on the pricing model specified in the terms of the bonds (the conversion price is $181.70 (in dollars) per share), and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently.

(d) Under the terms of the bond issuance and conversion, the bonds redeemed (including bonds repurchased from the secondary market), early redeemed, matured or the bonds converted and sold back by the bondholders will be cancelled and not to be re-issued.

B. Regarding the issuance of convertible bonds, the equity conversion options amounting to $185,303 were separated from the liability component and were recognised in ‘capital surplus - share options’ in accordance with IAS 32.

(15) Long-term loans

		December 31, 2025		
Type of loans	Period	Credit line	Interest rate	Amount
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	$ 30,000,000	2.7484%	$ 6,027,317
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	30,000,000	2.7484%	6,027,317
Mid-term syndicated loans (note A)	2022.6.27 ~2027.6.27	24,000,000	2.2981%	10,000,000
Mid-term syndicated loans (note C)	2023.8.25 ~2028.8.25	20,000,000	2.2622%	8,240,000
Mid-term borrowings (Export-Import Bank of the Republic of China)	2023.4.24 ~2028.4.24	400,000	2.2178%	400,000
Mid-term borrowings (KGI Bank)	2024.12.5 ~2027.12.3	1,000,000	2.0381%	1,000,000
Mid-term borrowings (United Overseas Bank)	2021.3.17 ~2026.3.16	122,200	2%	7,938
Mid-term borrowings (United Overseas Bank)	2021.4.5 ~2026.4.4	122,200	2%	10,563
				31,713,135
Less: Long-term loans, current portion				(8,032,002)
				$ 23,681,133

		December 31, 2024		
Type of loans	Period	Credit line	Interest rate	Amount
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	$ 30,000,000	2.7442%	$ 9,754,066
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	30,000,000	2.7398%	9,754,067
Mid-term syndicated loans (note A)	2022.6.27 ~2027.6.27	24,000,000	2.2914%	13,000,000
Mid-term syndicated loans (note A)	2021.7.29 ~2026.7.29	12,000,000	2.2929%~ 2.2936%	10,000,000
Mid-term syndicated loans (note C)	2023.8.25 ~2028.8.25	20,000,000	2.2548%	19,440,000
Mid-term borrowings (Export-Import Bank of the Republic of China)	2023.4.24 ~2028.4.24	400,000	2.2186%	400,000
Mid-term borrowings (KGI Bank)	2024.12.5 ~2027.12.3	1,000,000	2.0363%	1,000,000
Mid-term borrowings (United Overseas Bank)	2020.4.28 ~2025.4.27	96,520	2%	8,337
Mid-term borrowings (United Overseas Bank)	2021.3.17 ~2026.3.16	120,650	2%	38,720
Mid-term borrowings (DBS Bank Ltd.)	2020.6.24 ~2025.6.23	24,130	2%	3,120
Mid-term borrowings (United Overseas Bank)	2021.4.5 ~2026.4.4	120,650	2%	41,298
				63,439,608
Less: Long-term loans, current portion				(73,218)
				$ 63,366,390

A. On April 27, 2021, May 9, 2022 and July 15, 2025, the Group's Board of Directors resolved to sign syndicated loan agreements with a financial institution amounting to NT$12 billion, NT$24 billion and NT$36 billion, respectively. As stipulated in the syndicated loan agreements:

(a) Credit period: 5 years after the date of first drawdown of any credit line.

(b) Drawdown period: The day before 5 years after the date of first drawdown. However, maturity date of each borrowing shall not exceed the credit period. The borrower may apply for re-utilisation within the credit period 5 years after the date of first drawdown according to the capital situation. However, each drawdown must be fully repaid before the expiry of the credit period.

(c) Financial commitment: The borrower's consolidated financial statements shall maintain the following financial ratios and regulations:

i. Liquidity ratio: Shall be at least 100%.

ii. Net debt ratio: Shall be no more than 250%.

iii. Interest coverage ratio shall be at least 200%.

The abovementioned financial ratios are reviewed semi-annually.

B. On January 31, 2024, the Group's Board of Directors resolved to sign a syndicated loan agreement with a financial institution amounting to NT$60 billion to support the acquisition of 100% equity interest in FUTURE ELECTRONICS INC. As stipulated in the syndicated loan agreement:

(a) Credit item and facility: The total credit facility is NT$60 billion.

(b) Credit period: 5 years after the date of first drawdown.

(c) Drawdown period: 5 years after the date of first drawdown. Maturity date of each borrowing shall not exceed the credit period.

(d) Financial commitments:

i. The borrower's consolidated financial statements shall maintain the following financial ratios and regulations:

(i) Liquidity ratio: Shall be at least 100%.

(ii) Net debt ratio: Shall not be higher than 500% starting from the year ending December 31, 2024 and shall not be adjusted higher than 400% starting from the year ending December 31, 2026.

(iii) Interest coverage ratio shall be at least 200%.

The abovementioned financial ratios are reviewed semi-annually.

ii. The financial statements of FUTURE ELECTRONICS INC. shall maintain the following financial ratios and regulations, which shall be applicable from the report for the year beginning January 1, 2024:

(i) Liquidity ratio: Shall be at least 100%.

(ii) Debt ratio: Shall not be more than 100%.

(iii) Interest coverage ratio shall be at least 200%.

(iv) Net assets shall be at least US$2.4 billion.

The abovementioned financial ratios are reviewed annually.

(e) Collateral:

The Group pledged 100% stocks of FUTURE ELECTRONICS INC. as the collateral.

C. On August 2, 2023, the Group's Board of Directors resolved to sign a syndicated loan agreement with a financial institution amounting to NT$20 billion. As stipulated in the syndicated loan agreement:

(a) Credit period: 5 years after the date of first drawdown.

(b) Drawdown period: The day before 5 years after the date of first drawdown. However, maturity date of each borrowing shall not exceed the credit period of each drawdown. The borrower may apply for re-utilisation from the date of first drawdown for 5 years according to the capital situation. However, each drawdown must be fully repaid before the expiry of the credit period.

(c) Financial commitments: The borrower's consolidated financial statements shall maintain the following financial ratios and regulations:

i. Liquidity ratio: Shall be at least 100%.

ii. Net debt ratio: Shall be no more than 280%.

iii. Interest coverage ratio shall be at least 200%.

The abovementioned financial ratios are reviewed semi-annually.

D. The Group's financial ratios in the consolidated financial statements for the year ended December 31, 2024 have met the required covenants under the abovementioned borrowing contract.

E. The Group's liquidity risk is provided in Note 12.

(16) Pensions

A. Defined benefit pension plan

(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Group would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Group will make contributions for the deficit by next March.

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

	As of December 31, 2025	As of December 31, 2024
Present value of defined benefit obligations	$ 221,872	$ 211,891
Fair value of plan assets	(173,861)	(179,146)
Net defined benefit liability	$ 48,011	$ 32,745
Presented under "Other Non-current Assets"	$ 1,819	$ 10,097
Presented under "Other Non-current Liabilities"	$ 49,830	$ 42,842

(c) The changes in the net defined benefit liability (asset) are as follows:

	Defined Benefit Obligation	Plan Assets (Fair Value)	Net Defined Benefit Liability
2025			
Balance as of January 1	$ 211,891	$ 179,146	$ 32,745
Current service cost	752	-	752
Interest (expense) income	5,073	4,585	488
Settlement loss	(19,341)	(24,265)	4,924
	198,375	159,466	38,909
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	10,978	(10,978)
Effects of changes in financial assumptions	3,782	-	3,782
Experience adjustments	20,373	-	20,373
	24,155	10,978	13,177
Contributions to pension funds	-	4,022	(4,022)
Retirement payments	(665)	(605)	(60)
Others	7	-	7
At December 31	$ 221,872	$ 173,861	$ 48,011

	Defined Benefit Obligation	Plan Assets (Fair Value)	Net Defined Benefit Liability
2024			
Balance as of January 1	$ 223,995	$ 165,099	$ 58,896
Current service cost	891	-	891
Interest (expense) income	2,708	2,001	707
	227,594	167,100	60,494
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	14,502	(14,502)
Effects of changes in financial assumptions	(5,830)	-	(5,830)
Experience adjustments	(3,087)	-	(3,087)
	(8,917)	14,502	23,419
Contributions to pension funds	-	4,330	(4,330)
Retirement payments	(6,786)	(6,786)	-
At December 31	$ 211,891	$ 179,146	$ 32,745

(d) The defined benefit retirement plan fund assets of the Company and its domestic subsidiaries are entrusted to Bank of Taiwan for management according to the investment plan of the fund for the year. The entrusted management is carried out within the proportion and amount limits specified by the items under Article 6 of the Labor Pension Fund Custody and Operation Measures. This includes deposits in domestic and foreign financial institutions, investments in domestic and foreign listed, OTC, or private placement equity securities, and investments. The entrusted management includes securitized products of domestic and foreign real estate, among others. The related fund utilization is supervised by the Labor Retirement Fund Supervisory Committee. The minimum annual return allocated in the fund's financial statements shall not be lower than the interest calculated based on a two-year fixed deposit rate of local banks. If there is a shortfall, it will be supplemented by the national treasury upon approval from the competent authority. Since the Company has no right to participate in the operation and management of the fund, it is unable to disclose the classification of the fair value of plan assets in accordance with paragraph 142 of IAS 19. The fair values of the total assets constituting the fund as of December 31, 2024, and 2025, are detailed in the respective annual Labor Retirement Fund utilization reports announced by the government.

(e) Summary of Actuarial Assumptions for Retirement Benefits:

	Years ended December 31,	
	2025	2024
Discount Rate	1.3% ~ 1.4%	1.6%
Future Salary Increase Rate	3%	3%

Assumptions on future mortality rates are based on the 6th experience life table for Taiwan life insurance.

The impact on the present value of defined benefit obligations due to changes in key actuarial assumptions is analyzed as follows:

	Discount Rate		Future Salary Increase Rate	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
At December 31, 2025				
Impact on the Present Value of Defined Benefit Obligation	($ 3,283)	$ 3,364	$ 2,756	($ 2,706)
At December 31, 2024				
Impact on the Present Value of Defined Benefit Obligation	($ 3,627)	$ 3,725	$ 3,143	($ 3,080)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(f) Expected contributions to the defined benefit pension plan of the Group for the year ending December 31, 2026 amount to $3,309.

(g) As of December 31, 2025, the weighted average duration of the retirement plan is 6 to 9 years.

B. Defined contribution pension plan

(a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The Company's subsidiaries in Mainland China have a defined contribution plan in accordance with the pension regulations in the People's Republic of China (PRC). These companies contribute monthly an amount based on 14%~16% of the employees' monthly salaries based on the employees' domiciles to their independent funds administered by the government. For the subsidiaries in Hong Kong, these companies and its employees each contribute monthly an amount equal to 5% of the employees' monthly salaries pursuant to the legislation in Hong Kong. Each fund is managed by the government. Except for the monthly contribution, these companies have no other obligation.

(c) The pension costs under the defined contribution pension plans of the Group for the years ended December 31, 2025 and 2024 were $721,525 and $480,973, respectively.

(17) Share-based payment

A. For the years ended December 31, 2025 and 2024, the Group's share-based payment arrangements are as follows:

Type of arrangement	Grant date	Quantity granted	Vesting conditions
Restricted stocks to employees	2021.1.13	2,992 thousand shares	(a) and (b)
Employee stock options	2021.3.18	12,000 thousand shares	(c)
Restricted stocks to employees	2021.7.28	2,788 thousand shares	(a) and (b)
Employee stock options	2022.1.6	18,854 thousand shares	(c)
Cash capital increase by issuing common stock reserved for employee preemption	2023.11.15~ 2023.11.17	6,511 thousand shares	Vested immediately
Employee stock options	2024.10.23	22,849 thousand shares	(d)
Employee stock options	2025.11.4	1,870 thousand shares	(d)
Restricted stocks to employees	2025.11.14	4,334 thousand shares	(a) and (b)

(a) The vesting percentage for the employee who has rendered service to the Company since the grant date and achieves the performance condition is 25% each year.

(b) The issued employee restricted shares before meeting the vesting conditions are subject to certain restrictions as follows:

i. Employee restricted shares cannot be sold, pledged, transferred, donated to others, set purposes or disposed in any other ways, except for inheritance.

ii. The rights to attend, propose, speak and vote at the shareholders meeting are the same as the issued common stock of the Company and are implemented in accordance with the trust custody contract.

iii. Other rights including but not limited to dividends, distribution rights of legal reserve and capital surplus and share options of cash capital increase, etc. are the same as the Company's issued common stock, do not need to be kept in trust and are not restricted by the vesting period. Employees are required to return the unvested stocks but not required to return the dividends received if they resign during the vesting period.

(c) Employees can exercise 50%, 25% and 25% of their option after 2 years, 3 years and 4 years from the grant date of employee stock options, respectively.

(d) Employees can exercise 30%, 30% and 40% of their option after 2 years, 3 years and 4 years from the grant date of employee stock options, respectively.

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

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility (%)	Expected option life (years)	Expected dividends	Risk-free interest rate (%)	Fair value per unit (in dollars)
Restricted stocks to employees	2021.1.13	$ 42.05	$ -	-	4	-	-	$ 42.05
Employee stock options	2021.3.18	$ 46.80	$ 46.80	18.44~18.46	4~5	-	0.31~0.34	$ 7.0985~$ 8.1307
Restricted stocks to employees	2021.7.28	$ 61.20	$ -	-	4	-	-	$ 58.00
Employee stock options	2022.1.6	$ 75.40	$ 75.40	21.06~22.66	3.5~4.5	-	0.55~0.62	$ 13.2673~$ 14.2005
Cash capital increase by issuing common stock reserved for employee preemption	2023.11.15~2023.11.17	$ 114.00~$ 124.50	$ 95.00	-	-	-	-	$ 19.00~$ 29.50
Employee stock options	2024.10.23	$ 115.50	$115.50	34.85~36.43	4~5	-	1.42~1.44	$ 35.2252~$ 37.9548
Employee stock options	2025.11.4	$ 149.00	$149.00	36.76~39.04	4~5	-	1.18~1.19	$47.7175~50.5730
Restricted stocks to employees	2025.11.14	$ 147.00	$ -	-	4	-	-	$ 147.00

C. Details of the stock options for the years ended December 31, 2025 and 2024 are disclosed as follows:

	2025		
	No. of options (in thousands)	Weighted-average exercise price (in dollars)	Weighted-average remaining contractual period
Options outstanding at January 1	38,240	$ 91.27	
Options granted	1,870	149.00	
Options exercised	(6,551)	50.60	
Options forfeited	(884)	95.38	
Options expired	(19)	60.33	
Options outstanding at December 31	32,656	97.06	3.88 years
Options exercisable at December 31	4,522		

	2024		
	No. of options (in thousands)	Weighted-average exercise price (in dollars)	Weighted-average remaining contractual period
Options outstanding at January 1	24,927	$ 57.77	
Options granted	22,849	115.50	
Options exercised	(9,262)	55.56	
Options forfeited	(274)	60.55	
Options outstanding at December 31	38,240	91.27	4.3 years
Options exercisable at December 31	3,802		

D. The weighted-average stock price of stock options were $117.46 and $142.30 (in dollars) for the years ended December 31, 2025 and 2024, respectively.

E. Details of the employee restricted shares for the years ended December 31, 2025 and 2024 are disclosed as follows:

	2025	2024
	No. of shares (in thousands)	No. of shares (in thousands)
Shares outstanding at January	1,283	2,638
Shares redeemed at beginning of year but not yet forfeited	7	14
Shares granted	4,334	-
Shares vested	(1,248)	(1,298)
Shares forfeited	(35)	(64)
Shares redeemed, not yet forfeited	-	(7)
Shares outstanding at December 31	4,341	1,283

F. Compensation cost of share-based payment of $332,011 and $119,757 were recognised for the three months and years ended December 31, 2025 and 2024, respectively.

(18) Share capital

As of December 31, 2025, the Company's authorised capital was $30,000,000, including partial preferred stocks, consisting of 3 billion shares (including 300 million shares reserved for employee stock options), and the paid-in capital was $13,983,834 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Common stock

A. Movements in the number of the Company's common stock (including certificate of entitlement to new shares from convertible bonds) outstanding are as follows:

	2025	2024
	Shares (in thousands)	Shares (in thousands)
At January 1	1,117,153	887,955
Issuance of shares for share exchange	47,428	-
Issuance of shares of restricted stocks to employees	4,334	-
Employee stock options exercised	6,551	9,262
Cancellation of employee restricted shares	(35)	(64)
Capital injection	90,000	220,000
At December 31	1,265,431	1,117,153

B. For the years ended December 31, 2025 and 2024, employees of the Company exercised employee stock options, which have been converted into 6,551 thousand and 9,262 thousand common stocks, respectively. There are still 845 thousand and 737 thousand common stocks that were recorded under 'certificate of entitlement to new shares from convertible bonds' because the change in registration has not yet been completed as of December 31, 2025 and 2024, respectively.

C. For the years ended December 31, 2025 and 2024, the Company has retrieved 35 thousand and

64 thousand of employee restricted shares, respectively, for not satisfying vesting conditions, and the Company cancelled and retired the shares in accordance with the regulations.

D. On September 28, 2023, the Board of Directors resolved to increase the Company's capital by issuing 135 million new shares with a par value of $10 (in dollars) per share issued at NT$95 (in dollars) per share. The Company received $7,396,604 for the three months ended March 31, 2024 and $5,423,396 for the year ended December 31, 2023, respectively, from the issuance of shares. The effective date of the capital increase was set on January 9, 2024 and the registration has been completed.

E. On July 15, 2025, the Company's Board of Directors resolved to increase its capital by issuing 47.428 million ordinary shares in exchange for 71 million newly issued ordinary shares of NICHIDENBO CORPORATION. The effective date of the capital increase for the share exchange was set on October 1, 2025. Please refer to Notes 6(3) and 6(7) for details.

F. On May 28, 2025, the Company's shareholders during their meeting resolved to issue 60 million employee restricted shares with a par value of NT$10 (in dollars) per share. The employee restricted shares were issued over several installments within one year. The number of first issuance of ordinary shares was 4.334 million shares and the effective date was set on November 14, 2025.

Global depositary receipts

A. On February 29, 2024, the Company's Board of Directors resolved to increase capital by issuing common stock to participate in the issuance of the global depositary receipts to support the capital requirement for the purchases of materials in foreign currency. The capital increase was approved by the Financial Supervisory Committee on March 26, 2024 and 17,000 thousand units of global depositary receipts were issued at the Luxembourg Stock Exchange on April 12, 2024 at a price of US$20.08 (in dollars) per unit. The global depositary receipts represented 85,000 thousand shares of the Company's common stock. The amount after deducting issuance cost was US$337,497 thousand (NT$10,850,853 thousand). Each unit of the global depositary receipts represents 5 shares of the Company's common stocks.

B. On October 13, 2025, the Company's Board of Directors resolved to increase capital by issuing common stock to participate in the issuance of the global depositary receipts to support the capital requirement for the purchases of materials in foreign currency. The capital increase was approved by the Financial Supervisory Committee on November 12, 2025 and 18,000 thousand units of global depositary receipts were issued at the Luxembourg Stock Exchange on November 20, 2025 at a price of US$21.6 (in dollars) per unit. The global depositary receipts represented 90,000 thousand shares of the Company's common stock. The amount after deducting issuance cost was US$385,426 thousand (NT$12,040,678 thousand). Each unit of the global depositary receipts represents 5 shares of the Company's common stocks.

Preferred stock

On July 2, 2020, the Board of Directors resolved to increase the Company's capital in the amount of $6,750,000 by issuing 135 million shares of Class A preferred stocks with a par value of $10 (in dollars) per share issued at $50 (in dollars) per share. The capital injection was approved by the Financial Supervisory Commission on July 29, 2020, and the effective date was set on October 15, 2020. The rights and obligations of these outstanding preferred stocks are as follows:

A. Expiration date: The Company's Class A preferred stocks are perpetual. The shareholders of Class A preferred stocks cannot request the Company to retire the preferred stocks they hold but all or certain parts are callable at any time from the next day of five years after issuance at the actual issue price. The outstanding Class A preferred stocks sustained all the rights and obligations specified in the issuance terms. Dividends payable as of the redemption date shall be calculated based on the actual outstanding days if the Board of Directors resolved to distribute the current year's dividends.

B. Dividends: The Company's Class A preferred stocks have an original fixed dividend rate of 4% per annum. The dividend rate will be reset on the next business day following the completion of five years from the issuance date. The pricing effective date for the rate reset is two business days in Taipei financial industry prior to the IRS rate reset date (i.e., October 13, 2025). The five-year interest rate swap (IRS) rate is determined by the arithmetic average of the five-year IRS rates quoted on Reuters pages "TAIFXIRS" and "COSMOS3" at 11:00 a.m. (Taipei time) on the pricing effective date, which is 1.714%. A fixed markup of 3.3875%, established at issuance, is added to this rate. Therefore, the dividend rate is reset to 5.1015% per annum, effective from October 15, 2025.

C. Dividend distribution: Dividends of Class A preferred stocks are distributed once per year in the form of cash. The effective date for distributing previous year's distributable dividends will be set by the Board of Directors or the chairman who is authorised by the Board of Directors. Dividend distributions in the years of issuance and redemption are calculated based on the actual outstanding days. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating deficit and then set aside as legal reserve. Special reserve shall be set aside or reversed as required by regulations or the Competent Authority when necessary. The remainder, if any in the current year, can be distributed as dividends of preferred stocks in first priority.

   The Company has discretion in dividend distribution of Class A preferred stocks. The Company could choose not to distribute dividends of preferred stocks when resolved by the Board of Directors, which would not lead to default if the Company has no or has insufficient current year's earnings for distribution or has other considerations. In addition, the amounts of undistributed dividends or insufficient distributed dividends will not be deferred to future years when the Company has earnings.

D. Excess dividend distribution: Besides the aforementioned dividends, the shareholders of Class A

preferred stocks could not participate in the distribution of cash and capitalised assets for common shares derived from earnings and capital surplus.

E. Residual property distribution: The shareholders of Class A preferred stocks have priority over shareholders of common stocks in distributing the Company's residual properties and have the same priority with other preferred stockholders of the Company, but behind the general creditor. In addition, the limit is the amount calculated by shares of outstanding preferred stocks issued and the issue price when distributing.

F. Right to vote and be elected: The shareholders of Class A preferred stocks have no right to vote and be elected as directors in the common stock holders' meeting of the Company but have the right to vote in the shareholders' meeting only when there are unfavourable matters to rights and obligations of shareholders of Class A preferred stocks.

G. Conversion to common shares: Class A preferred stocks could not be converted to common shares.

H. The preemptive rights for shareholders of Class A preferred stocks are the same as of common shareholders when the Company increases its capital by issuing new shares.

I. Capital surplus arising from premium issuance of Class A preferred stocks can be used to offset against accumulated deficit but cannot be capitalised during the issuance period.

On January 15, 2026, the Company retired all the Class A preferred stocks as approved by the Company's chairman. The effective date of retirement upon maturity as well as the delisting date were set on February 26, 2026. In addition, the Company would retire all the Class A preferred stocks at the original actual issue price.

(19) Capital surplus

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

	2025					
	Share premium	Employee stock options	Stock options	Restricted stocks to employees	Net change in equity of associates and subsidiaries	Total
At January 1	$ 47,381,597	$ 226,089	$ -	$ 51,030	$ 14,768	$ 47,673,484
Issuance of convertible bonds	-	-	185,303	-	-	185,303
Capital injection	11,140,678	-	-	-	-	11,140,678
Issuance of shares for share exchange	6,305,854	-	-	-	-	6,305,854
Issuance of shares of restricted stocks to employees	-	-	-	593,758	-	593,758
Vesting of employee restricted shares	49,513	-	-	(49,513)	-	-
Cancellation of employee restricted shares	-	-	-	350	-	350
Changes in ownership interests in subsidiaries	-	-	-	-	(2,178)	(2,178)
Changes in restricted stocks to employees	-	-	-	(1,547)	-	(1,547)
Employee stock options exercised	338,562	(72,545)	-	-	-	266,017
Compensation cost of share-based payments	-	285,694	-	-	-	285,694
At December 31	$ 65,216,204	$ 439,238	$185,303	$594,078	$ 12,590	$ 66,447,413

	2024				
	Share premium	Employee stock options	Restricted stocks to employees	Net change in equity of associates and subsidiaries	Total
At January 1	$ 25,192,149	$ 372,240	$ 104,875	$ 11,410	$ 25,680,674
Capital injection	21,470,853	-	-	-	21,470,853
Vesting of employee restricted shares	51,538	-	(51,538)	-	-
Cancellation of employee restricted shares	-	-	640	-	640
Changes in ownership interests in subsidiaries	-	-	-	(2,191)	(2,191)
Changes in restricted stocks to employees	-	-	(2,947)	-	(2,947)
Employee stock options exercised	667,057	(245,035)	-	-	422,022
Compensation cost of share-based payments	-	98,884	-	-	98,884
Change in equity of associates accounted for using equity method	-	-	-	5,549	5,549
At December 31	$ 47,381,597	$ 226,089	$ 51,030	$ 14,768	$ 47,673,484

(20) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay taxes and offset accumulated losses; and set aside a legal reserve at 10% of such remaining earnings, until the accumulated legal reserve has equaled the total paid-in capital of the Company; then, set aside a special reserve in accordance with applicable laws or regulations of the competent authority. Residual earnings (distributable earnings in the current year) plus undistributed earnings at the beginning of the period is the accumulated retained earnings, which shall first be distributed as dividends to holders of Preferred Stocks, and distribution of such earnings shall submitted by the Board of Directors to the shareholders' meeting for approval.

B. In accordance with Article 240 of the Company Act, the Board of Directors is authorised, upon resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, to distribute dividends and bonus of all or part of the legal reserve and capital surplus in the form of cash based on the regulations specified in Article 241 of the Company Act which shall be reported to the shareholders during their meeting. Said distribution is not subject to the regulation which requires that the distribution shall be resolved by the shareholders during their meeting.

C. The Company's dividend policy is regulated by the Board of Directors taking into consideration the Company's operations, future investment plans, capital budget and internal/external situations. As the Company is in the growth stage, most of retained earnings will be used to support business development and investment requirements and consequently, the minimum cash dividend and extra dividend policy is adopted by the Company. The Company's dividend policy is summarised below:

   At least 40% of the Company's earnings shall be appropriated as stock dividends and cash dividends, taking into account profits in the future and capital needs, and cash dividends shall account for at least 10% of the total dividends distributed. In the event the total earnings appropriation exceeds 30% of the Company's paid-in capital before appropriation, cash dividends shall account for at least 20% of the total dividends distributed.

D. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

E. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit

balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

F. According to the resolutions adopted by the shareholders during their meetings in May 2025 and May 2024, the distribution information of the Company's 2024 and 2023 earnings, respectively, is as follows:

	Years ended December 31,			
	2024		2023	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 1,387,290		$ 406,786	
Special reserve	-		(1,564,387)	
Dividends on preferred stock	270,000	$ 2.000	270,000	$ 2.000
Cash dividends of common stockholders	6,727,486	6.000	2,008,438	1.800
	$ 8,384,776		$ 1,120,837	

Information on the appropriation of the Company’s earnings as approved by the shareholders will be posted in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.

(21) Other equity items

	Unrealised gains (losses) on valuation	Currency translation	Others	Total
At January 1, 2025	$ 6,160,479	$ 6,904,386	($ 2,154,906)	$ 10,909,959
Valuation adjustment on equity instruments:				
– Group	(3,374,407)	-	-	(3,374,407)
– Associates	(5,984)	-	-	(5,984)
Disposals reclassified as retained earnings	(896,889)	-	-	(896,889)
Currency translation differences:				
– Group	-	(8,703,864)	-	(8,703,864)
– Associates	-	(5,879)	-	(5,879)
Changes in employee restricted shares	-	-	1,547	1,547
Changes in redemption liability recognised as other equity	-	-	984,441	984,441
Issuance of shares of restricted stocks to employees	-	-	(637,098)	(637,098)
Compensation cost of share-based payments				-
– Group	-	-	26,278	26,278
– Associates	-	-	(35,620)	(35,620)
At December 31, 2025	$ 1,883,199	($ 1,805,357)	($ 1,815,358)	($ 1,737,516)

	Unrealised gains (losses) on valuation	Currency translation	Others	Total
At January 1, 2024	$ 10,278,439	$ 363,363	($ 1,042,763)	$ 9,599,039
Valuation adjustment on equity instruments:				
– Group	623,271	-	-	623,271
– Associates	679	-	-	679
Disposals reclassified as retained earnings	(4,741,910)	-	-	(4,741,910)
Currency translation differences:				
– Group	-	6,540,510	-	6,540,510
– Associates	-	513	-	513
Changes in employee restricted shares	-	-	2,947	2,947
Changes in redemption liability recognised as other equity	-	-	29,569	29,569
Compensation cost of share-based payments	-	-	20,873	20,873
Cash flow hedges	-	-	(1,165,532)	(1,165,532)
At December 31, 2024	$ 6,160,479	$ 6,904,386	($ 2,154,906)	$ 10,909,959

(22) Non-controlling interests

	2025	2024
At January 1	$ 987,714	$ 836,869
Shares attributable to non-controlling interest:		
Gain for the year	22,747	93,929
Increase in non-controlling interests	(695,612)	5,134
Comprehensive income for the period:		
Exchange differences on translation of foreign financial statements	(39,249)	54,966
Unrealised loss from financial assets at fair value through other comprehensive income	(312)	(3,184)
At December 31	$ 275,288	$ 987,714

A. The Group redeemed the remaining 20% equity interest of WT SEMICONDUCTOR HOLDINGS PTE. LTD. in cash from minority shareholders, resulting in a decrease in non-controlling interest. Refer to Note 4(3) for details.

B. During the years ended December 31, 2025 and 2024, the Company's subsidiary, BRILLNICS INC., increased its capital and employees of BRILLNICS INC. exercised employee stock options, which resulted to an increase in the non-controlling interest. Refer to Note 4(3) for details.

(23) Operating revenue

	Years ended December 31,	
Contract revenue	2025	2024
Sales of electronic components	$ 1,176,951,652	$ 958,616,583
Services revenue	606,188	754,967
Other operating revenue	391,067	60,347
	$ 1,177,948,907	$ 959,431,897

A. The Group derives revenue from the transfer of goods at a point in time and services over time in the following major products:

	Years ended December 31,	
	2025	2024
Timing of revenue recognition		
At a point in time		
Application-Specific Standard Product-Wired Connectivity	$ 223,466,819	$ 152,826,219
Application-Specific Standard Product-Wireless Connectivity	194,880,113	184,227,281
Application-Specific Integrated Circuit	327,696,447	253,193,360
Analog	126,534,974	118,911,005
Microcomponents	65,381,314	58,613,712
Memory	59,615,964	40,945,750
Discrete	42,552,004	40,631,213
Application-Specific Standard Product-Others	36,566,395	30,981,115
Optoelectronics	30,322,853	22,329,071
Passive Components, Connectors, Electromechanical Components	35,937,785	23,480,707
Others	34,388,051	32,537,497
Over time		
Services	606,188	754,967
	$ 1,177,948,907	$ 959,431,897

B. The Group has recognised the following revenue-related contract liabilities provisions for estimated sales discounts:

	December 31, 2025	December 31, 2024	January 1, 2024
Refund liabilities -sales discounts and returns	$ 1,727,634	$ 1,572,327	$ 1,127,279
Contract liabilities -advance sales receipts	$ 3,964,998	$ 1,132,253	$ 1,461,903

C. Revenue recognised that was included in the contract liability balance at the beginning of the year:

	Years ended December 31,	
	2025	2024
Revenue recognised that was included in the contract liability balance at the beginning of the year	$ 749,107	$ 861,913

(24) Interest income

	Years ended December 31,	
	2025	2024
Interest income from bank deposits	$ 755,224	$ 820,479
Other interest income	7,009	8,629
	$ 762,233	$ 829,108

(25) Other income

	Years ended December 31,	
	2025	2024
Dividend income	$ 316,285	$ 258,272
Grant revenue	312,757	49,689
Other income	237,530	184,546
	$ 866,572	$ 492,507

(26) Other gains and losses

	Years ended December 31,	
	2025	2024
Gain (loss) on disposal of property, plant and equipment	$ 20,039	($ 9,745)
Foreign exchange gain (loss), net	160,020	(201,667)
(Loss) gain on financial assets and liabilities at fair value through profit or loss	(415,987)	651,699
Other losses	60,546	(89,041)
	($ 175,382)	$ 351,246

(27) Finance costs

	Years ended December 31,	
	2025	2024
Interest expense:		
Bank borrowings	$ 3,111,276	$ 3,310,698
Others	149,398	104,214
Financing charges on accounts receivable factoring	1,579,188	1,402,415
Other finance costs	201,901	262,756
	$ 5,041,763	$ 5,080,083

(28) Expenses by nature

	Years ended December 31,	
	2025	2024
Employee benefit expense	$ 17,551,318	$ 14,118,297
Depreciation	$ 1,179,757	$ 1,047,720
Amortisation	$ 574,608	$ 359,192

(29) Employee benefit expense

	Years ended December 31,	
	2025	2024
Employee benefit expense		
Wages and salaries	$ 15,450,140	$ 13,008,243
Labour and health insurance fees	850,042	150,491
Pension costs	722,765	482,571
Other personnel expenses	528,371	476,992
Total (shown as 'Operating expenses')	$ 17,551,318	$ 14,118,297

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 1% for employees' compensation, of which at least 10% shall be allocated to frontline employees, and the ratio shall not be higher than 3% for directors' remuneration.

B. For the years ended December 31, 2025 and 2024, employees' compensation was accrued at $149,700 and $109,000, respectively; while directors' remuneration was accrued at $45,000 and $42,951, respectively. The aforementioned amounts were recognised in salary expenses. The employees' compensation and directors' remuneration were estimated and accrued based on distributable profit of current year for the years ended December 31, 2025 and 2024.

Employees' compensation and directors' remuneration for 2024 as resolved by the Board of Directors were in agreement with those amounts recognised in profit or loss for 2024.

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

(30) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2025	2024
Current tax:		
Current tax on profit for the year	$ 3,522,670	$ 2,552,190
Tax on undistributed surplus earnings	274,793	147,795
Prior year income tax over estimation	(11,772)	(23,700)
Total current tax	3,785,691	2,676,285
Deferred tax:		
Origination and reversal of temporary differences	46,929	(47,586)
Total deferred tax	46,929	(47,586)
Income tax expense	$ 3,832,620	$ 2,628,699

(b) Income Tax Amounts Related to Other Comprehensive (Loss) Income:

	Years ended December 31,	
	2025	2024
Remeasurements of Defined Benefit Obligations	$ 2,635	($ 4,684)

B. Income Tax Expense and Accounting Profit Relationship

	Years ended December 31,	
	2025	2024
Income tax on pretax net profit calculated using statutory tax rate	$ 6,727,465	$ 4,080,826
Effect of items not deductible under tax regulations	(3,157,866)	(1,576,222)
Additional income tax on undistributed earnings	274,793	147,795
Prior year income tax over estimation	(11,772)	(23,700)
Income tax expense	$ 3,832,620	$ 2,628,699

C. The amounts of deferred tax assets and liabilities arising from temporary differences are as follows:

	Year ended December 31, 2025				
	January 1	Recognized in Profit or loss	Recognized in Other Comprehensive income	Effect of exchange rate	December 31
Deferred Tax Assets					
Allowance for sales returns and discounts	$ 386,875	$ 145,035	$ -	$ 128	$ 532,038
Excess allowance for doubtful accounts	67,263	(9,211)	-	(584)	57,468
Unrealized inventory valuation losses	364,194	(1,336)	-	(710)	362,148
Others	635,893	290,728	2,718	(9,164)	920,175
	$ 1,454,225	$ 425,216	$ 2,718	($ 10,330)	$ 1,871,829
Deferred Tax Liabilities					
Investment income recognized using the equity method	($ 1,056,969)	($ 125,291)	$ -	$ -	($ 1,182,260)
Impact of price allocation adjustments	(2,000,500)	74,593	-	12,212	(1,913,695)
Others	(238,776)	(421,447)	(83)	64,358	(595,948)
	($ 3,296,245)	($ 472,145)	($ 83)	$ 76,570	($ 3,691,903)

	Year ended December 31, 2024					
	January 1	Acquisition from business combination	Recognized in Profit or loss	Recognized in Other Comprehensive income	Effect of exchange rate	December 31
Deferred Tax Assets						$ 386,875
Allowance for sales returns and discounts	$ 440,202	$ -	($ 53,352)	$ -	$ 25	67,263
Excess allowance for doubtful accounts	32,720	68,370	(33,884)	-	57	
Unrealized inventory valuation losses	282,808	138,731	(57,084)	-	(261)	364,194
Others	73,115	200,516	361,728	(3,829)	4,363	635,893
	$ 828,845	$ 407,617	$ 217,408	($ 3,829)	$ 4,184	$1,454,225
Deferred Tax Liabilities						
Investment income recognized using the equity method	($ 966,234)	$ -	($ 90,735)	$ -	$ -	($1,056,969)
Impact of price allocation adjustments	-	(2,012,311)	57,974	-	(46,163)	(2,000,500)
Others	(65,641)	(37,864)	(137,061)	(855)	2,645	(238,776)
	($ 1,031,875)	($ 2,050,175)	($ 169,822)	($ 855)	($ 43,518)	($3,296,245)

D. The Company has assessed that the taxable temporary differences arising on investments in

subsidiaries will not reverse in the foreseeable future. Accordingly, the Company did not recognise the full amount as deferred tax liabilities. As of December 31, 2025 and 2024, the temporary differences that were not recognised as deferred tax liabilities were $9,466,560 and $6,097,611, respectively.

E. The income tax returns through 2023 of WT MICROELECTRONICS CO., LTD., MORRIHAN INTERNATIONAL CORP., NUVISION TECHNOLOGY INC., MAXTEK TECHNOLOGY CO., LTD. and HONGTECH ELECTRONICS CO., LTD. have been assessed and approved by the Tax Authority.

F. The Group has applied the exception to the requirements to recognise and disclose information on deferred tax assets and liabilities related to Pillar Two income taxes.

G. For the Group's certain subsidiaries registered in Singapore, the Group recognized current income tax expense related to Pillar Two income taxes amounting to $288,409 for the years ended December 31, 2025.

H. The Group's exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:

The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). The Pillar Two legislation was enacted in Canada, the European Union and South Korea, which will take effect from fiscal year of 2024. For certain subsidiaries registered in Singapore, substantive local legislation has been enacted and take effect in the fiscal year 2025.

Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Group has taken into account the complexities in applying the legislation and calculating GloBE income as well as the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12. This assessment indicates that for companies registered in Canada, Europe, South Korea and etc, the average effective tax rate based on accounting profit is over 15% for the years ended December 31, 2025. The Group has no related significant current tax exposure as of December 31, 2025.

The Group has applied the amendments to IAS 12, 'Income tax' issued on May 23, 2023 and applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

(31) Earnings per share

	Year ended December 31, 2025		
	Amount after tax	Weighted average number of common stock outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to shareholders of the parent	$ 13,543,724		
Less: Dividends of preferred stock	(270,000)		
Profit used to calculate basic earnings per share	$ 13,273,724	1,143,488	$ 11.61
Diluted earnings per share			
Profit attributable to shareholders of the parent	$ 13,543,724		
Less: Dividends of preferred stock	(270,000)		
Profit used to calculate diluted earnings per share	13,273,724	1,143,488	
Assumed conversion of all dilutive potential common stock:			
Convertible bonds	50,755	6,461	
Restricted stocks to employees	-	363	
Employee stock options	-	6,959	
Employees' compensation	-	1,251	
Profit used to calculate diluted earnings per share attributable to shareholders of the parent plus assumed conversion of all dilutive potential common stock	$ 13,324,479	1,158,522	$ 11.50

	Year ended December 31, 2024		
	Amount after tax	Weighted average number of common stock outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to shareholders of the parent	$ 9,112,156		
Less: Dividends of preferred stock	(270,000)		
Profit used to calculate basic earnings per share	$ 8,842,156	1,086,949	$ 8.13
Diluted earnings per share			
Profit attributable to shareholders of the parent	$ 9,112,156		
Less: Dividends of preferred stock	(270,000)		
Profit used to calculate diluted earnings per share	8,842,156	1,086,949	
Assumed conversion of all dilutive potential common stock:			
Restricted stocks to employees	-	1,585	
Employee stock options	-	8,231	
Employees' compensation	-	1,023	
Profit used to calculate diluted earnings per share attributable to shareholders of the parent plus assumed conversion of all dilutive potential common stock	$ 8,842,156	1,097,788	$ 8.05

(32) Business combination

As of December 31, 2025 and 2024, the Group's mergers are as follows:

A. The Group acquired all the equity interest of FUTURE ELECTRONICS INC. ("FUTURE Company"):

(a) On September 14, 2023, the Company's audit committee and Board of Directors resolved to enter into a definitive agreement for the acquisition of all the shares of FUTURE ELECTRONICS INC. In January 2024, the Board of Directors and the directors of the Company and its subsidiary, MORRIHAN INTERNATIONAL CORP., resolved and agreed to set up a joint venture, WT MORRIHAN INVESTMENT LIMITED in Canada to acquire all the equity interests of FUTURE Company. On April 2, 2024, the share settlement was completed, and the total acquisition amounted to NT$121,524,000 thousand (US$3.8 billion). In accordance with the terms of the contract, a consideration adjustment has been made on August 7, 2024, resulting in a final adjusted consideration of NT$121,404,566 thousand (US$3,796,333 thousand).

(b) FUTURE Company is primarily engaged in the distribution and sales of various electronic components. The purpose of the combination is to strengthen the expansion of the business through the complementary product lines of the two parties, provide customers with a wider range of product solutions and technical support services and enhance the Group's global distribution capabilities.

(c) The following table summarises the consideration paid for FUTURE Company and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	April 2, 2024
Purchase consideration	
Cash	$ 121,404,566
Fair value of the identifiable assets acquired and liabilities assumed	
Cash	3,949,018
Accounts receivable	55,935,579
Inventories	44,033,710
Other receivables	981,914
Other current assets	4,142,689
Property, plant and equipment	2,124,176
Right-of-use assets	1,342,520
Deferred tax assets	407,617
Other non-current assets	215,801
Accounts payable and Other payables	(24,310,804)
Lease liabilities	(1,379,042)
Other current liabilities	(487,215)
Deferred tax liabilities	(2,050,175)
Other non-current liabilities	(185,836)
Total identifiable net assets	84,719,952
Fair value of the identifiable net assets-customer relationship	8,073,255
Goodwill	$ 28,611,359

(d) Had FUTURE Company been consolidated from January 1, 2024, the consolidated statement of comprehensive income would show operating revenue of $992,005,779 and profit before income tax of $11,376,427.

(33) Supplemental cash flow information

A. Cash paid for property, plant and equipment:

	Years ended December 31,	
	2025	2024
Purchase of property, plant and equipment	$ 1,661,601	$ 256,128
Add: Opening balance of payable on equipment	8,928	2,772
Ending balance of prepayments for business facilities	-	144
Less: Ending balance of payable on equipment	(2,719)	(8,928)
Opening balance of prepayments for business facilities	(144)	(1,091)
Effect of foreign exchange	(4)	21
Cash paid during the year	$ 1,667,662	$ 249,046

B. Cash paid for business combinations:

	Years ended December 31, 2024
Current assets	$ 109,042,910
Property, plant and equipment	2,124,176
Acquired identifiable intangible assets	36,684,614
Other non-current assets	1,965,938
Current liabilities	(24,798,019)
Non-current liabilities	(3,615,053)
Fair value of assets acquired and liabilities assumed	121,404,566
Add: Acquired cash from business combinations	(3,949,018)
Cash paid during the year	$ 117,455,548

C. Transactions with non-controlling interests:

	Years ended December 31, 2025
Acquiring equity interests of subsidiaries	$ 985,795

(34) Changes in liabilities from financing activities

	Long-term and short-term borrowings (Note)	Short-term notes and bills payable	Lease liability	Bonds Payable	Liabilities from financing activities-gross
At January 1, 2025	$ 98,852,387	$ 1,598,968	$ 1,960,563	$ -	$ 102,411,918
Changes in cash flow from financing activities	(41,465,677)	68,261	(707,799)	10,836,447	(31,268,768)
Impact of changes in foreign exchange rate	(104,345)	-	(80,011)	-	(184,356)
Interest expense from amortisation	-	31,863	-	50,755	82,618
Other non-cash changes	-	-	-	(185,303)	(185,303)
Increase in lease liability	-	-	780,751	-	780,751
At December 31, 2025	$ 57,282,365	$ 1,699,092	$ 1,953,504	$ 10,701,899	$ 71,636,860

	Long-term and short-term borrowings (Note)	Short-term notes and bills payable	Lease liability	Liabilities from financing activities-gross
At January 1, 2024	$ 32,554,472	$ 349,848	$ 718,620	$ 33,622,940
Changes in cash flow from financing activities	65,885,694	1,229,505	(656,927)	66,458,272
Impact of changes in foreign exchange rate	412,221	-	3,836	416,057
Interest expense from amortisation	-	19,615	-	19,615
Increase in lease liability	-	-	515,992	515,992
Acquired from business combinations	-	-	1,379,042	1,379,042
At December 31, 2024	$ 98,852,387	$ 1,598,968	$ 1,960,563	$ 102,411,918

Note: Including current portions of long-term loans.

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
JCD OPTICAL CORPORATION LIMITED	Associate
WPG Holdings Limited and Subsidiaries	Entity with significant influence over the Group
ASUSTeK Computer Inc. and Subsidiaries	Entity with significant influence over the Group
ALBERT PHUAY	Director of the Subsidiary of the Group

(2) Significant related party transactions

A. Operating revenue

	Years ended December 31, 2025	2024
Sales of goods:		
- Entity with significant influence over the Group	$ 6,060,687	$ 4,806,586
- Associates	868	1,954
	$ 6,061,555	$ 4,808,540

(a) The collection terms with related parties were 30 to 120 days after the end of next month and the products were categorised and priced taking into consideration the inventory cost, market and other conditions.

(b) The transactions between FUTURE ELECTRONICS INC. and associates pertain to transactions starting from the business acquisition date.

B. Purchases

	Years ended December 31,	
	2025	2024
Purchases of goods:		
- Entity with significant influence over the Group	$ 1,595,825	$ 1,027,910

(a) The credit term to related parties is 30 to 45 days after the end of the following month and the purchase prices were categorised and priced taking into consideration the market prices and other conditions.

(b) The transactions between FUTURE ELECTRONICS INC. and associates pertain to transactions starting from the business acquisition date.

C. Receivables from related parties

	December 31, 2025	December 31, 2024
Accounts receivable:		
- Entity with significant influence over the Group	$ 1,124,674	$ 195,444
- Associates	-	789
	$ 1,124,674	$ 196,233

The transactions between FUTURE ELECTRONICS INC. and associates pertain to transactions starting from the business acquisition date.

D. Payables to related parties

	December 31, 2025	December 31, 2024
Accounts payable:		
- Entity with significant influence over the Group	$ 64,033	$ 35,367

The transactions between FUTURE ELECTRONICS INC. and associates pertain to transactions starting from the business acquisition date.

F. Property transactions

Acquisition of financial assets:

				Year ended December 31, 2025
	Accounts	No. of shares (in thousands)	Objects	Consideration
ALBERT PHUAY	Investments accounted for using equity method	24,080	Stocks	$ 985,795

The Group acquired 20% equity interest of WT SEMICONDUCTOR HOLDINGS PTE. LTD. in the amount of US$30,082 thousand from the non-controlling equity shareholders in February 2025. Refer to Note 4(3) for details.

(3) Key management compensation

	Years ended December 31,	
	2025	2024
Salaries and other short-term employee benefits	$ 455,300	$ 392,857
Post-employment benefits	725	729
Share-based payment	78,226	21,209
	$ 534,251	$ 414,795

8. PLEDGED ASSETS

(1) The details of the Group's assets pledged as collateral are as follows:

		Book value	
Pledged asset	Purpose	December 31, 2025	December 31, 2024
Bank deposits	Bid bond	$ -	$ 3,174

(2) For information on the Company using its holdings of subsidiary stock as collateral for a syndicated loan, please refer to Note 6 (15) for details.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A. Outstanding letters of credit

The outstanding letters of credit for the purchase of inventories by the Group are as follows:

	December 31, 2025	December 31, 2024
Outstanding letters of credit	$ 8,243,134	$ 8,280,042

B. Guarantee for customs duties

The total guarantee for customs duties is as follows:

	December 31, 2025	December 31, 2024
Customs duties guarantee	$ 33,000	$ 37,000

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On January 15, 2026, the Company retired all the Class A preferred stocks as approved by the company's chairman. Please refer to Note 6(18) for details.

12. OTHERS

(1) Capital management

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

total liabilities with interests divided by total net assets. Total liabilities with interest is calculated as total amount of long-term and short-term borrowings, short-term bills payable and corporate bonds payable in the consolidated balance sheet. Total equity is calculated as the 'equity' in the consolidated balance sheet.

For the years ended December 31, 2025 and 2024, the Group's strategy was to maintain the financial debt ratio below 250%.

(2) Financial instruments

A. Financial instruments by category

	December 31, 2025	December 31, 2024
Financial assets		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	$ 392,538	$ 405,640
Financial assets designated as at fair value through profit or loss on initial recognition	5,912	5,486
	$ 398,450	$ 411,126
Financial assets at fair value through other comprehensive income		
Designation of equity	$ 6,429,058	$ 12,030,314
Qualifying debt instruments	67,619,449	28,411,490
	$ 74,048,507	$ 40,441,804
Financial assets at amortised cost		
Cash and cash equivalents	$ 28,138,755	$ 39,727,726
Accounts receivable	102,398,927	113,682,618
Other receivables	3,713,296	5,956,485
Other financial assets (shown as 'other current assets')	435,560	593,725
Guarantee deposits paid (shown as 'other non-current assets')	158,621	169,983
	$ 134,845,159	$ 160,130,537

	December 31, 2025	December 31, 2024
Financial liabilities		
Financial liabilities at fair value through profit or loss		
Financial liabilities held for trading	$ 22,616	$ 138

	December 31, 2025	December 31, 2024
Financial liabilities		
Financial liabilities at amortised cost		
Short-term borrowings	$ 25,569,230	$ 35,412,779
Short-term notes and bills payable	1,699,092	1,598,968
Accounts payable	317,278,361	186,740,851
Other accounts payable	6,877,329	9,009,470
Bonds Payable (including those	10,701,899	-
Long-term loans (including current portion)	31,713,135	63,439,608
Guarantee deposits received (shown as 'other non-current liabilities')	7,574	7,828
	$ 393,846,620	$ 296,209,504
Lease liability	$ 1,953,504	$ 1,960,563

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risks (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts and foreign currency option contracts, are used to hedge certain exchange rate risk. In addition, foreign exchange risk is managed by matching the payment periods of foreign currency assets and liabilities.

(b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

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

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries in various functional currencies, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.

iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).

iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other subsidiaries' functional currency: USD, SGD, RMB and KRW). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2025				
				Sensitivity analysis	
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	4,415,998	31.375	$ 138,551,937	1%	$ 1,385,519
USD:KRW	13,011	1,433.9	408,220	1%	4,082
USD:RMB	7,585	6.994	237,979	1%	2,380
RMB:USD	613,554	0.143	2,752,342	1%	27,523
EUR:USD	151,100	1.177	5,581,634	1%	55,816
Foreign operations					
USD:NTD	4,793,563	31.375	150,398,048		
Financial liabilities					
Monetary items					
USD:NTD	5,247,290	31.375	164,633,724	1%	1,646,337
USD:RMB	199,652	6.994	6,264,082	1%	62,641
USD:KRW	19,953	1,433.9	626,025	1%	6,260
RMB:USD	25,408	0.1	113,978	1%	1,140
EUR:USD	62,235	1.177	2,298,961	1%	22,990

	December 31, 2024				
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity analysis: Degree of variation	Sensitivity analysis: Effect on profit or loss
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	4,410,226	32.725	$ 144,324,646	1%	$ 1,443,246
USD:KRW	23,502	1,474.1	769,103	1%	7,691
USD:RMB	6,162	7.303	201,651	1%	2,017
SGD:USD	7,564	0.737	182,519	1%	1,825
RMB:USD	69,880	0.137	313,132	1%	3,131
EUR:USD	139,636	1.041	4,761,588	1%	47,616
Foreign operations					
USD:NTD	4,482,586	32.725	147,375,556		
Financial liabilities					
Monetary items					
USD:NTD	4,987,662	32.725	163,221,239	1%	1,632,212
USD:RMB	198,591	7.303	6,498,890	1%	64,989
USD:KRW	47,816	1,474.1	1,564,779	1%	15,648
SGD:NTD	29,557	24.130	713,210	1%	7,132
EUR:USD	78,759	1.041	2,685,682	1%	26,857

v. The total exchange gain (loss), including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2025 and 2024 amounted to gain $160,020, and loss $201,667, respectively.

Price risk

i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is performed in accordance with the limits set by the Group.

ii. The Group's investments comprise shares and beneficiary certificates issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by $2,757 and $2,778, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $64,291 and $120,303, respectively, as a result of other comprehensive income on equity investment classified as at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group's main interest rate risk arises from bank borrowings with variable rates and

advance receipt of factoring accounts receivable, which expose the Group to cash flow interest rate risk. During the years ended December 31, 2025 and 2024, the Group's borrowings at variable rate were mainly denominated in US Dollars.

ii. The Group's borrowings are measured at amortised cost. According to the contract, the borrowings are periodically reset. Therefore, the Group is exposed to the risk of future changes in market interest rates.

iii. If the borrowing interest rate had increased/decreased by 25 basis points with all other variables held constant, profit, net of tax for the years ended December 31, 2025 and 2024 would have decreased/increased by $120,601 and $205,356, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. The Group manages its credit risk from the group's perspective. For banks and financial institutions, only approved by FSC are accepted to be transaction parties. According to the credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. The Group assesses the credit quality of the customers, taking into account their financial position, past experience and other factors through internal risk control. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. If the contract payments were past due over 90 days based on the terms, the Group considers that there has been a significant increase in credit risk on that instrument since initial recognition. The Group considers that the default occurs when the contract payments are past due over 180 days.

iv. The ageing analysis of accounts receivable (including overdue receivables) and notes receivable is as follows:

	Notes and accounts receivable	
	December 31, 2025	December 31, 2024
Not past due	$158,372,346	$ 130,501,547
Up to 90 days	11,492,474	10,893,090
91 to 180 days	893,372	845,798
Over 180 days	649,713	560,120
	$ 171,407,905	$ 142,800,555

(i) The above ageing analysis was based on days past due.

(ii) Abovementioned notes receivable are not past due.

After the recourse procedure, the Group will write off the amount of financial assets that cannot reasonably be expected to be recovered, however the Group will continue to carry out recourse legal procedures to preserve the creditor's rights.

v. The Group assesses the expected credit losses of its accounts receivable as follows:

(i) Accounts receivable that are significantly past due are assessed individually for their expected credit losses;

(ii) The remaining receivables are segmented according to the Group's credit ratings of its customers. Different loss rates or provision matrices are applied to the different segments when estimating expected credit losses;

(iii) Loss rates, calculated from historical and current information, are adjusted according to forward-looking information such as the business indicators published by the National Development Council.

(iv) As of December 31, 2025 and 2024, loss allowances of accounts receivable and notes receivable calculated from individual assessment or using the loss rate methodology and provision matrix are as follows:

December 31, 2025	Individual	Group A & B	Group C	Group D	Total
Expected loss rate	0.05%~100%	0.05%~0.486%	0.11%~100%	1.14%~100%	
Total book value	$ 983,465	$ 126,845,391	$ 36,880,286	$ 6,698,763	$ 171,407,905
Loss allowance	$ 750,042	$ 335,612	$ 160,877	$ 142,998	$ 1,389,529
December 31, 2024	Individual	Group A & B	Group C	Group D	Total
Expected loss rate	0.05%~100%	0.05%~0.19%	0.09%~100%	0.51%~100%	
Total book value	$ 513,184	$ 103,320,960	$ 34,336,654	$ 4,629,757	$ 142,800,555
Loss allowance	$ 395,477	$ 115,702	$ 102,148	$ 93,120	$ 706,447

Group A: Customers with excellent credit rating.

Group B: Customers with fine credit rating.

Group C: Customers with normal credit rating.

Group D: Rated as other than A, B and C.

vi. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable (including overdue receivables) are as follows:

	Years ended December 31,	
	2025	2024
At January 1	$ 706,447	$ 736,924
Provision for impairment	639,996	98,126
Write-off	(17,368)	(129,598)
Effect of exchange rate changes	60,454	995
At December 31	$ 1,389,529	$ 706,447

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. The Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (Note 6(15)) at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internally assessed financial ratio targets and, if applicable, external regulatory or legal requirements.

ii. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. The Group treasury invests surplus cash in interest bearing demand deposits, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts, and expects to readily generate cash inflows for managing liquidity risk.

iii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the due date at the balance sheet date. Non-derivative financial liabilities are analysed by remaining periods from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

December 31, 2025

	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Short-term borrowings (Note)	$ 25,709,803	$ -	$ -	$ 25,709,803
Lease liability	689,689	1,390,276	51,215	2,131,180
Long-term loans (Note)	8,683,882	24,222,178	-	32,906,060
Bonds payable (Note)	309,650	11,541,299	-	11,850,949

December 31, 2024

	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Short-term borrowings (Note)	$ 35,537,207	$ -	$ -	$ 35,537,207
Lease liability	809,754	1,167,471	197,293	2,174,518
Long-term loans (Note)	74,798	64,668,137	-	64,742,935

Note: Including imputed interest payable.

Except for the above, the Group's non-derivative financial liabilities are due in one year.

Derivative financial liabilities:

As of December 31, 2025 and 2024, all derivative financial liabilities of the Group are due in one year.

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

(3) Fair value information

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks, open-end funds and overseas bonds is included in level 1.

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

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market, debt instrument and private equity fund is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(10).

C. The carrying amounts of financial instruments not measured at fair value, including cash and

cash equivalents, notes and accounts receivable, other receivables, other current assets, short-term borrowings, short-term notes and bills payable, accounts payable, other payables and long-term loans (including current portion), are approximate to their fair values.

D. The related information on financial instruments measured at fair value by level on the basis of the nature, characteristics and risks are as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

December 31, 2025

	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Beneficiary certificates	$ 42,420	$ -	$ 296,238	$ 338,658
Equity instruments	5,912	-	-	5,912
Debt instruments	-	-	1,236	1,236
Derivative instruments	-	14,126	-	14,126
Hybrid instruments	-	-	38,518	38,518
Financial assets at fair value through other comprehensive income				
Equity instruments	6,205,547	-	223,511	6,429,058
Accounts receivable that are expected to be factored	-	-	67,619,449	67,619,449
	$ 6,253,879	$ 14,126	$68,178,952	$74,446,957

December 31, 2025	Level 1	Level 2	Level 3	Total
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Derivative instruments	$ -	$ 22,616	$ -	$ 22,616

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Beneficiary certificates	$ 34,410	$ -	$ 307,355	$ 341,765
Equity instruments	5,486	-	-	5,486
Debt instruments	-	-	33,686	33,686
Derivative instruments	-	13,812	-	13,812
Hybrid instruments	-	-	16,377	16,377
Financial assets at fair value through other comprehensive income				
Equity instruments	11,828,081	-	202,233	12,030,314
Accounts receivable that are expected to be factored	-	-	28,411,490	28,411,490
	$11,867,977	$ 13,812	$28,971,141	$40,852,930
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Derivative instruments	$ -	$ 138	$ -	$ 138

(b) The methods and assumptions the Group used to measure fair value are as follows:

i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares	Open-end fund	Corporate bonds
Market quoted price	Closing price	Net assets value	Weighted average quoted price

ii. Except for financial instruments with active markets, the fair value of other financial

instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

iii. When assessing non-standard and low-complexity financial instruments, for example, cross currency swap contracts, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.

v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

E. For the years ended December 31, 2025 and 2024, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the years ended December 31, 2025 and 2024:

	Financial instruments	
	2025	2024
At January 1	$ 28,971,141	$ 67,742,287
Acquired during the period	54,044	17,597
Disposed during the period	(19,675)	(20,865)
(Losses) gains recognised in profit or loss	(22,949)	16,907
Gains (losses) recognised in other comprehensive income	1,848	(14,364)
Increase in accounts receivable that are expected to be factored	53,467,535	7,830,961
Decrease in accounts receivable that are expected to be factored	(14,259,576)	(46,606,506)
Effect of exchange rate changes	(13,416)	5,124
At December 31	$ 68,178,952	$ 28,971,141

For the years ended December 31, 2025 and 2024, there was no transfer into or out from Level 3.

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

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	$ 40,721	Market comparable companies	Price to earnings ratio multiple	1.05-4.3 (1.99)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	27.32%-30%	The higher the discount for lack of marketability, the lower the fair value
	45,362	Net asset value	Not applicable	-	Not applicable
Unlisted preferred stocks	1,236	Market comparable companies	Price to earnings ratio multiple	3.72-4.56 (4.11)	The higher the weighted average cost of capital and discount for lack of marketability, the lower the fair value
			Discount for lack of marketability	30%	
	113,374	Most recent non-active market price	Not applicable	-	Not applicable
Convertible bonds	38,518	Most recent non-active market price	Not applicable	-	Not applicable
Venture capital shares	24,054	Net asset value	Not applicable	-	Not applicable
Private equity fund	296,238	Net asset value	Not applicable	-	Not applicable

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	$ 3,758	Market comparable companies	Price to earnings ratio multiple	1.62-2.13 (1.84)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
	63,279	Most recent non-active market price	Not applicable	-	Not applicable
Unlisted preferred stocks	28,303	Discounted cash flow method	Weighted average cost of capital	11.51%	The higher the weighted average cost of capital and discount for lack of marketability, the lower the fair value
			Discount for lack of marketability	30%	
	5,383	Market comparable companies	Price-to-sales ratio	4.19-8.8 (6.61)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
	119,859	Most recent non-active market price	Not applicable	-	Not applicable
Convertible bonds	16,377	Most recent non-active market price	Not applicable	-	Not applicable
Venture capital shares	15,337	Net asset value	Not applicable	-	Not applicable
Private equity fund	307,355	Net asset value	Not applicable	-	Not applicable

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Refer to table 1.

B. Provision of endorsements and guarantees to others: Refer to table 2.

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 4.

E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 5.

F. Significant inter-company transactions during the reporting period: Refer to table 6.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 7.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to Note 13(1).

14. SEGMENT INFORMATION

(1) General information

The Group is engaged in the development and sales of electronic and communication components. The Group's chief operating decision maker reviews the Group's overall operating results to determine decisions of the Group's resources and assess the Group's overall performance. Operating segments of the Group have been aggregated into one operating segment because they have similar economic characteristics and show similar long-term financial performances.

The Group's operating segment information is prepared in accordance with the Group's accounting policies. The decision maker allocates resources and assesses performance of the operating segments primarily based on the operating revenue and profit (loss) before tax of individual operating segment.

(2) Financial information of reportable segment

The financial information on reportable single operating segment to the chief operating decision maker is as follows:

	Single Operating Segment	
	Years ended December 31,	
	2025	2024
Revenue from external customers	$ 1,177,948,907	$ 959,431,897
Segment income	$ 17,399,091	$ 11,834,784
Segment assets (Note)	$ -	$ -
Depreciation and amortisation	$ 1,754,365	$ 1,406,912
Finance costs	$ 5,041,763	$ 5,080,083

Note: The chief operating decision maker does not use the measured amount of the assets as a measurement indicator; therefore, the measured amount of the Group's assets shall be disclosed as zero.

(3) Reconciliation information on reportable segment revenue and profit (loss)

The reportable segment income is consistent with the income/(loss) before tax from continuing operations for the year.

(4) Information on products and services

Refer to Note 6(23) for the related information.

(5) Geographical information

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

	Year ended December 31, 2025		Year ended December 31, 2024	
	Revenue	Non-current assets	Revenue	Non-current assets
America	$ 428,027,269	$ 486,781	$ 332,847,298	$ 525,456
Taiwan	302,733,062	3,970,897	281,511,098	3,972,355
China	280,044,255	2,585,678	219,128,997	1,612,823
Others	167,144,321	38,759,393	125,944,504	40,566,925
	$ 1,177,948,907	$ 45,802,749	$ 959,431,897	$ 46,677,559

The above revenue by geographic area is calculated based on sales to external customers at the location of the headquarter's registered office.

(6) Major customer information

	Year ended December 31,	
	2025	2024
Customer A	$ 310,740,986	$ 243,756,027
Customer B	64,180,064	63,659,256
	$ 374,921,050	$ 307,415,283

WT Microelectronics Co., Ltd. and subsidiaries

Loans to others

Year ended December 31, 2025

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2025	Balance at December 31, 2025	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
1	WINTECH MICROELECTRONICS HOLDING LIMITED	WINTECH MICROELECTRONICS LTD.	Other receivables - related parties	Y	$ 662,000	$ -	$ -	0.00%	Short-term financing	$ -	Business Operation	$ -	-	$ -	$ 8,844,107	$ 8,844,107	Note 2
1	WINTECH MICROELECTRONICS HOLDING LIMITED	WT MICROELECTRONICS (HONG KONG) LIMITED	Other receivables - related parties	Y	6,620,000	4,706,250	3,714,800	2.01%	Short-term financing	-	Business Operation	-	-	-	8,844,107	8,844,107	Note 2
2	BSI SEMICONDUCTOR PTE. LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Other receivables - related parties	Y	345,400	345,125	345,125	4.18%~4.65%	Short-term financing	-	Business Operation	-	-	-	587,844	587,844	Note 2
2	BSI SEMICONDUCTOR PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	33,100	-	-	0.00%	Short-term financing	-	Business Operation	-	-	-	587,844	587,844	Note 2
3	EXCELPOINT TECHNOLOGY PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	147,580	-	-	4.41%~4.93%	Short-term financing	-	Business Operation	-	-	-	3,276,560	3,276,560	Note 2
4	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	EXCELPOINT INTERNATIONAL TRADING (SHANGHAI) CO., LTD	Other receivables - related parties	Y	478,359	157,007	157,007	2.35%	Short-term financing	-	Business Operation	-	-	-	2,395,229	2,395,229	Note 2
5	WINTECH INVESTMENT CO., LTD.	WINTECH MICROELECTRONICS LTD.	Other receivables - related parties	Y	139,020	-	-	0.00%	Short-term financing	-	Business Operation	-	-	-	1,041,524	1,041,524	Note 2
6	EXCELPOINT SYSTEMS (PTE) LTD	WT MICROELECTRONICS VIETNAM COMPANY LIMITED	Other receivables - related parties	Y	45,948	29,179	29,179	4.28%~4.93%	Short-term financing	-	Business Operation	-	-	-	635,691	635,691	Note 2
7	WT TECHNOLOGY KOREA CO., LTD.	LEADER'S TECHNOLOGY CO., LTD.	Other receivables - related parties	Y	114,600	-	-	0.00%	Short-term financing	-	Business Operation	-	-	-	646,206	646,206	Note 2
8	PLANETSPARK PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	81,713	43,925	43,925	4.65369%	Short-term financing	-	Business Operation	-	-	-	223,019	223,019	Note 2
8	PLANETSPARK PTE. LTD.	SPACEAGE LABS PTE. LTD.	Other receivables - non related parties	N	9,148	9,052	9,052	7.50%	Short-term financing	-	Business Operation	-	-	-	89,208	89,208	Note 3
9	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	1,986,000	-	-	0.00%	Short-term financing	-	Business Operation	-	-	-	127,858,513	127,858,513	Note 2
9	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Other receivables - related parties	Y	2,625,600	-	-	0.00%	Short-term financing	-	Business Operation	-	-	-	127,858,513	127,858,513	Note 2
9	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS (US) FINANCE CORP.	Other receivables - related parties	Y	2,559,960	-	-	0.00%	Short-term financing	-	Business Operation	-	-	-	127,858,513	127,858,513	Note 2
10	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	3,641,000	1,568,750	1,568,750	4.44292%	Short-term financing	-	Business Operation	-	-	-	22,600,374	22,600,374	Note 2
10	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Other receivables - related parties	Y	64,983	63,600	63,600	4.95%	Short-term financing	-	Business Operation	-	-	-	22,600,374	22,600,374	Note 2
10	FUTURE ELECTRONICS LIMITED	FE TRADING PTY LTD.	Other receivables - related parties	Y	134,299	-	-	4.95%	Short-term financing	-	Business Operation	-	-	-	22,600,374	22,600,374	Note 2
10	FUTURE ELECTRONICS LIMITED	WT MICROELECTRONICS CO.,LTD.	Other receivables - related parties	Y	2,482,500	1,568,750	1,568,750	4.33023%~ 4.44292%	Short-term financing	-	Business Operation	-	-	-	22,600,374	22,600,374	Note 2
11	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	2,625,600	1,568,750	-	4.44292%	Short-term financing	-	Business Operation	-	-	-	29,959,617	29,959,617	Note 2
11	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	MORRIHAN SINGAPORE PTE. LTD.	Other receivables - related parties	Y	6,620,000	-	-	0.00%	Short-term financing	-	Business Operation	-	-	-	29,959,617	29,959,617	Note 2

Number (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2025	Balance at December 31, 2025	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
12	FUTURE ELECTRONICS (US) FINANCE CORP.	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	$ 2,559,960	$ -	$ -	0.00%	Short-term financing	$ -	Business Operation	$ -	-	$ -	$ -	$ -	Note 2
12	FUTURE ELECTRONICS (US) FINANCE CORP.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Other receivables - related parties	Y	3,282,000	-	-	0.00%	Short-term financing	-	Business Operation	-	-	-	-	-	Note 2
13	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS (US) FINANCE CORP.	Other receivables - related parties	Y	3,282,000	-	-	0.00%	Short-term financing	-	Business Operation	-	-	-	13,578,016	13,578,016	Note 2
14	FUTURE ELECTRONICS MANAGEMENT SERVICES LIMITED.	FUTURE ELECTRONICS EDC SERVICES GMBH	Other receivables - related parties	Y	627,980	627,980	627,980	3.33%~4.22778%	Short-term financing	-	Business Operation	-	-	-	12,598,587	12,598,587	Note 2
15	FUTURE ELECTRONICS SAS	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	183,650	-	-	0.00%	Short-term financing	-	Business Operation	-	-	-	643,532	643,532	Note 2
16	FUTURE ELECTRONICS POLSKA SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	172,351	-	-	0.00%	Short-term financing	-	Business Operation	-	-	-	121,960	121,960	Note 2
17	FUTURE ELECTRONICS SRL	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	60,651	59,104	-	4.75679%	Short-term financing	-	Business Operation	-	-	-	9,919	9,919	Note 2
18	FUTURE ELECTRONICS, S.R.O.	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	46,729	46,729	-	4.75679%	Short-term financing	-	Business Operation	-	-	-	20,102	20,102	Note 2
19	MORRIHAN SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	3,137,500	3,137,500	3,137,500	4.11%~4.33%	Short-term financing	-	Business Operation	-	-	-	3,919,807	3,919,807	Note 2
20	FUTURE ELECTRONICS CORP.	WT MICROELECTRONICS CO.,LTD.	Other receivables - related parties	Y	4,706,250	4,706,250	4,706,250	4.29951%~ 4.44292%	Short-term financing	-	Business Operation	-	-	-	19,166,453	19,166,453	Note 2
20	FUTURE ELECTRONICS CORP.	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	993,000	941,250	-	4.44292%	Short-term financing	-	Business Operation	-	-	-	19,166,453	19,166,453	Note 2
20	FUTURE ELECTRONICS CORP.	MORRIHAN INTERNATIONAL CORP.	Other receivables - related parties	Y	1,570,000	1,568,750	1,568,750	4.44%	Short-term financing	-	Business Operation	-	-	-	7,666,581	7,666,581	Note 3
20	FUTURE ELECTRONICS CORP.	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	628,000	627,500	-	4.44292%	Short-term financing	-	Business Operation	-	-	-	19,166,453	19,166,453	Note 2
21	EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS (HONG KONG) LIMITED	Other receivables - related parties	Y	1,413,000	1,411,875	1,411,875	4.91%	Short-term financing	-	Business Operation	-	-	-	2,236,912	2,236,912	Note 2
22	PN ELECTRONICS SAS	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	258,580	258,580	203,170	4.98%	Short-term financing	-	Business Operation	-	-	-	410,492	410,492	Note 2
23	FUTURE ELECTRONICS (IRELAND) LIMITED	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	36,940	36,940	-	4.75679%	Short-term financing	-	Business Operation	-	-	-	14,265	14,265	Note 2

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

(1) The Company is '0'.

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

Note 2: The policy for loans granted mutually between overseas subsidiaries of which the Company directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by an overseas subsidiary to all overseas subsidiaries and limit on loans granted by an overseas subsidiary to a single overseas subsidiary are the Creditor's net assets.

Note 3: The policy for loans between the Company and subsidiaries and companies with short-term capital needs is as follows: limit on loans granted by the Company and subsidiaries single party is 40% of the company's net assets, based on the most recent financial statements of the company, ceiling on total loans granted by a company is 40% of the company's net assets.

Note 4: The net assets referred to above are based on the latest audited or reviewed financial statements.

WT Microelectronics Co., Ltd. and subsidiaries

Provision of endorsements and guarantees to others

Year ended December 31, 2025

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Party being endorsed/guaranteed: Relationship with the endorser / guarantor (Note 2)	Limit on endorsements / guarantees provided for a single party (Note 3)	Maximum outstanding endorsement / guarantee amount as of December 31, 2025	Outstanding endorsement / guarantee amount at December 31, 2025	Actual amount drawn down	Amount of endorsements / guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements / guarantees provided (Note 3)	Provision of endorsements / guarantees by parent company to subsidiary	Provision of endorsements / guarantees by subsidiary to parent company	Provision of endorsements / guarantees to the party in Mainland China	Footnote
0	WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	2	$ 470,652,071	$ 800,000	$ 800,000	$ 800,000	$ -	0.68%	$470,652,071	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	2	470,652,071	1,324,000	313,750	-	-	0.27%	470,652,071	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	2	470,652,071	1,655,000	-	-	-	0.00%	470,652,071	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	2	470,652,071	158,256	158,130	4,209	-	0.13%	470,652,071	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WONCHANG SEMICONDUCTOR CO., LTD.	2	470,652,071	1,324	1,255	106	-	0.00%	470,652,071	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	LEADER'S TECHNOLOGY CO., LTD.	2	470,652,071	101,617	-	-	-	0.00%	470,652,071	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN SINGAPORE PTE. LTD.	2	470,652,071	331,000	-	-	-	0.00%	470,652,071	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	2	470,652,071	5,797,502	4,765,192	583,220	-	4.05%	470,652,071	Y	N	Y	
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	2	470,652,071	1,796,676	1,641,103	-	-	1.39%	470,652,071	Y	N	Y	
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	2	470,652,071	49,671,987	49,671,926	7,411,878	-	42.22%	470,652,071	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	2	470,652,071	21,980	21,963	-	-	0.02%	470,652,071	N	N	N	
1	EXCELPOINT TECHNOLOGY PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	2	49,148,404	1,655,000	1,568,750	384,005	-	1.33%	49,148,404	N	N	N	Note 4
2	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS EDC SERVICES GMBH	2	511,434,051	2,427	2,427	-	-	0.00%	511,434,051	N	N	N	Note 5
2	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	2	511,434,051	165,500	156,875	156,875	-	0.13%	511,434,051	N	Y	N	Note 5
2	FUTURE ELECTRONICS INC.	WT MICROELECTRONICS CO., LTD.	3	511,434,051	30,000,000	30,000,000	6,027,317	-	25.50%	511,434,051	N	N	N	Note 5
2	FUTURE ELECTRONICS INC.	MORRIHAN INTERNATIONAL CORP.	4	511,434,051	30,000,000	30,000,000	6,027,317	-	25.50%	511,434,051	N	N	N	Note 5
3	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	MACKTRONICS LIMITED	1	6,226	2,913	2,761	323	-	0.00%	119,838,467	N	N	N	Note 6
3	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	SUMMIT INTERNATIONAL YUGEN KAISHA	1	3,746	3,310	3,138	-	-	0.00%	119,838,467	N	N	N	Note 6

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

(1) The Company is '0'.

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

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following four categories:

(1) Having business relationship.

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

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

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

Note 3: For a single party who owns directly and indirectly more than 50% voting shares of the Company should not be in excess of 400% of the Company's net assets, which are based on the latest financial statements audited or reviewed by the Company's CPA.

Note 4: The limit of endorsement guarantees by EXCELPOINT TECHNOLOGY PTE. LTD. for a single enterprise and the total limit of endorsement guarantees should not be in excess of 15 times the Company's net assets.

Note 5: FUTURE ELECTRONICS INC. for a single enterprise and the total limit of endorsement guarantees should not be in excess of 400% the Company's net assets.

Note 6: FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD for a single enterprise and the total limit of endorsement guarantees should not be in excess of 400% the Company's net assets.

For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases.

WT Microelectronics Co., Ltd. and subsidiaries

Holding of marketable securities (not including subsidiaries, associates and joint ventures)

Year ended December 31, 2025

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Type of securities	Name of securities	Relationship with the securities issuer	General ledger account (Note)	As of December 31, 2025				Footnote
					Number of shares	Book value	Ownership (%)	Fair value	
WT MICROELECTRONICS CO., LTD.	Common stock	ASMEDIA TECHNOLOGY INC.	None	2	4,500,000	$5,445,000	6.02	$5,445,000	
WT MICROELECTRONICS CO., LTD.	Common stock	SINO-AMERICAN SILICON PRODUCTS INC.	None	1	2,733,000	291,065	0.43	291,065	

Note : Code of general ledger accounts: 1- Financial assets at fair value through other comprehensive income-current

Note : Code of general ledger accounts: 2- Financial assets at fair value through other comprehensive income-non-current

WT Microelectronics Co., Ltd. and subsidiaries

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

Year ended December 31, 2025

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Affiliates	Sales	$ 315,790	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	$ -	-	
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Sales	138,611,786	27	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	2,744,337	4	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	106,867,978	21	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	19,244,865	27	
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	5,956,941	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	36,101	-	
WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	Sales	3,692,625	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	1,403,184	2	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	16,150,160	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	4,490,226	6	
WT MICROELECTRONICS CO., LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Sales	364,365	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	94,616	-	
WT MICROELECTRONICS CO., LTD.	PLANETSPARK PTE. LTD.	Affiliates	Sales	377,090	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	387,337	-	
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	Sales	3,462,220	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	385,599	-	
WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Affiliates	Purchase	6,635,559	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(574,828)	-	
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Purchase	634,796	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Purchase	1,990,733	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Purchase	4,330,109	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
NUVISION TECHNOLOGY INC.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	383,436	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(9,054)	-	
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	3,936,710	16	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	322,164	8	
NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	Sales	1,790,748	7	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	306,685	7	
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	2,080,884	8	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	785,875	19	
MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	846,321	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	136,609	-	
MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	Sales	391,842,523	65	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	3,634,531	10	
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	1,543,484	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	464,892	2	
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	10,681,013	8	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	3,956,824	16	
WT MICROELECTRONICS (HONG KONG) LIMITED	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	216,933	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	53,351	-	
WT MICROELECTRONICS (HONG KONG) LIMITED	WT SOLOMON QCE LIMITED	Affiliates	Sales	266,764	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	42,975	-	
WT MICROELECTRONICS (HONG KONG) LIMITED	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	1,045,191	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	9,122	-	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	$ 374,863	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	$ 24,965	-	
WT MICROELECTRONICS (SHENZHEN) CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	258,235	7	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS (SHENZHEN) CO., LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	296,794	7	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	94,178	7	
WT TECHNOLOGY(SHANGHAI) PTE LTD	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	524,444	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT TECHNOLOGY(SHANGHAI) PTE LTD	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	668,179	4	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
EXCELPOINT INTERNATIONAL TRADE(SHANGHAI) CO., LTD	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	316,271	33	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	56,995	58	
EXCELPOINT INTERNATIONAL TRADE(SHANGHAI) CO., LTD	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	125,061	13	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	21,245	22	
EXCELPOINT INTERNATIONAL TRADE(SHANGHAI) CO., LTD	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	308,496	33	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	16,187	17	
EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	149,583	6	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	2,419	-	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	7,787,250	20	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	494,857	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	663	-	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	1,762,805	5	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	30,759	-	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	376,162	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	726,429	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Sales	547,852	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	75,697	1	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	Sales	837,626	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	122,791	2	
EXCELPOINT SYSTEMS (PTE) LTD	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	687,652	4	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
FUTURE ELECTRONICS CORP.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchase	46,587,121	34	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(4,155,595)	34	
FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DO BRASIL LTDA	Affiliates	Sales	133,816	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	18,842	-	
FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	52,860,081	39	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	6,321,394	13	
FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchase	4,416,998	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS AUSTRIA GMBH	Affiliates	Sales	766,115	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	38,685	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	291,908	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchase	585,524	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(45,551)	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	Sales	6,624,702	5	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	373,662	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD	Affiliates	Sales	872,051	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	143,103	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS AS	Affiliates	Sales	273,666	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	30,223	-	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Sales	$ 2,071,272	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	$ 521,206	1	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Purchase	305,839	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
FUTURE ELECTRONICS LIMITED	FE TRADING PTY LTD.	Affiliates	Sales	110,318	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	55,533	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS SCHWEIZ GMBH	Affiliates	Sales	449,586	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	91,692	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Affiliates	Sales	627,052	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	85,130	-	
FUTURE ELECTRONICS (HONG KONG) LIMITED	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	632,444	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(72,250)	-	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ADVANCED ELECTRONICS LIMITED	Affiliates	Purchase	4,741,834	4	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(273,548)	2	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	3,671,228	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	528,850	1	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	222,577	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchase	4,449,404	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(1,865,815)	15	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	15,865,933	12	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	3,218,756	7	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS KABUSHIKI KAISHA	Affiliates	Sales	517,836	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	83,787	-	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC.	Affiliates	Sales	775,444	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	56,079	-	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE TAIWAN ADVANCED ELECTRONICS PTE LTD.	Affiliates	Sales	195,835	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	9,915	-	

WT Microelectronics Co., Ltd. and subsidiaries

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

December 31, 2025

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2025	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	$ 2,744,337	11.44	$-		$ 2,438,205	$-
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	19,244,865	6.94	-		2,167,652	-
WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	1,403,184	3.56	-		86,355	-
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	4,490,226	3.72	-		313,698	-
WT MICROELECTRONICS CO., LTD.	PLANETSPARK PTE. LTD.	Affiliates	387,337	1.95	-		-	-
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	385,599	5.79	-		-	-
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS CO., LTD.	Affiliates	574,828	8.57	-		-	-
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	322,164	7.85	21,766	Post-dated payment	315,101	-
NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	306,685	5.32	22,655	Post-dated payment	284,841	-
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	785,875	4.12	-		-	-
MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	136,609	2.92	-		-	-
MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	3,634,531	56.45	14,640	Post-dated payment	2,991,250	-
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	464,892	2.22	-		158,315	-
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	3,956,824	2.52	1,870	Post-dated payment	991,576	-
WT MICROELECTRONICS SINGAPORE PTE. LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	359,654	0.47	-		-	-
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	122,791	7.44	-		-	-
FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	6,321,394	11.22	-		3,994,038	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	373,662	17.29	-		373,662	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2025	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD	Affiliates	$ 143,103	5.57	$ -		$ 103,925	$ -
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	521,206	4.44	-		134,913	-
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	528,850	9.56	-		347,315	-
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (HONG KONG) LIMITED	Affiliates	3,218,756	10.39	-		1,725,625	-
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS CORP.	Affiliates	4,155,595	22.42	-		3,850,268	-
FUTURE ADVANCED ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	273,548	24.49	-		-	-
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	1,865,815	2.86	-		-	-

Note: For information on loans between the Company and subsidiaries, refer to table 1.

WT Microelectronics Co., Ltd. and subsidiaries

Significant inter-company transactions during the reporting period

Year ended December 31, 2025

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)			
				General ledger account	Amount	Transaction terms	Percentage of total operating revenues or total assets (Note 5)
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Sales	$ 138,611,786	Note 3	12
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Accounts receivable	2,744,337	Note 3	1
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	106,867,978	Note 3	9
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	19,244,865	Note 3	4
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	5,956,941	Note 3	1
0	WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	Sales	3,692,625	Note 3	-
0	WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	Accounts receivable	1,403,184	Note 3	-
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	16,150,160	Note 3	1
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	4,490,226	Note 3	1
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	Affiliates	Sales	3,462,220	Note 3	-
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Purchase	634,796	Note 3	-
0	WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Affiliates	Purchase	6,635,559	Note 3	1
0	WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Affiliates	Accounts payable	574,828	Note 3	-
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Purchase	1,990,733	Note 3	-
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Purchase	4,330,109	Note 3	-
1	NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	3,936,710	Note 3	-
1	NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	Sales	1,790,748	Note 3	-
1	NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	2,080,884	Note 3	-
1	NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	785,875	Note 3	-
2	MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	846,321	Note 3	-
2	MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	Sales	391,842,523	Note 3	33
2	MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	3,634,531	Note 3	1
3	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	1,543,484	Note 3	-
3	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Accounts receivable	464,892	Note 3	-
3	WT MICROELECTRONICS (HONG KONG) LIMITED	WT TECHNOLOGY (SHANGHAI) PTE LTD	Affiliates	Sales	10,681,013	Note 3	1
3	WT MICROELECTRONICS (HONG KONG) LIMITED	WT TECHNOLOGY (SHANGHAI) PTE LTD	Affiliates	Accounts receivable	3,956,824	Note 3	1
3	WT MICROELECTRONICS (HONG KONG) LIMITED	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	1,045,191	Note 3	-
4	WT TECHNOLOGY (SHANGHAI) PTE LTD	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	524,444	Note 3	-
4	WT TECHNOLOGY (SHANGHAI) PTE LTD	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	668,179	Note 3	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)			
				General ledger account	Amount	Transaction terms	Percentage of total operating revenues or total assets (Note 5)
5	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	$ 7,787,250	Note 3	1
5	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	494,857	Note 3	-
5	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY (SHANGHAI) PTE LTD	Affiliates	Sales	1,762,805	Note 3	-
5	WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	726,429	Note 3	-
5	WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Sales	547,852	Note 3	-
5	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	Sales	837,626	Note 3	-
6	EXCELPOINT SYSTEMS (PTE) LTD	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	687,652	Note 3	-
7	FUTURE ELECTRONICS CORP.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchase	46,587,121	Note 3	4
7	FUTURE ELECTRONICS CORP.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Accounts payable	4,155,595	Note 3	1
8	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	52,860,081	Note 3	4
8	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Accounts receivable	6,321,394	Note 3	1
8	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchase	4,416,998	Note 3	-
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS AUSTRIA GMBH	Affiliates	Sales	766,115	Note 3	-
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchase	585,524	Note 3	-
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	Sales	6,624,702	Note 3	1
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD	Affiliates	Sales	872,051	Note 3	-
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Sales	2,071,272	Note 3	-
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Accounts receivable	521,206	Note 3	-
9	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Affiliates	Sales	627,052	Note 3	-
10	FUTURE ELECTRONICS (HONG KONG) LIMITED	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	632,444	Note 3	-
11	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ADVANCED ELECTRONICS LIMITED	Affiliates	Purchase	4,741,834	Note 3	-
11	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	3,671,228	Note 3	-
11	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Accounts receivable	528,850	Note 3	-
11	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchase	4,449,404	Note 3	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)			
				General ledger account	Amount	Transaction terms	Percentage of total operating revenues or total assets (Note 5)
11	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Accounts payable	$ 1,865,815	Note 3	-
11	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	15,865,933	Note 3	1
11	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	3,218,756	Note 3	1
11	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS KABUSHIKI KAISHA	Affiliates	Sales	517,836	Note 3	-
11	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC.	Affiliates	Sales	775,444	Note 3	-

Note 1: The information of transactions between the Company and the consolidated subsidiaries should be noted in “Number” column.

(1) Number 0 represents the Company.

(2) The consolidated subsidiaries are numbered in order from number 1.

Note 2: The transaction relationships with the counterparties are as follows:

(1) The Company to the consolidated subsidiary.

(2) The consolidated subsidiary to the Company.

(3) The consolidated subsidiary to another consolidated subsidiary.

Note 3: The prices and terms to related parties were similar to third parties. The credit term is 90 days after the end of each month.

Note 4: For sales, purchases and accounts receivable, transactions reaching NT$100 million or 20% of paid-in capital or more should be disclosed.

Note 5: In calculating the ratio, the transaction amount is divided by consolidated total assets for balance sheet accounts and is divided by consolidated total revenues for income statement accounts.

Note 6: Information of loans between the Company and subsidiaries, please refer to table 1.

WT Microelectronics Co., Ltd. and subsidiaries

Names, locations and other information of investee companies (not including investees in Mainland China)

Year ended December 31, 2025

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2025			Net profit (loss) of the investee for the year ended December 31, 2025	Investment income (loss) recognised by the Company for the year ended December 31, 2025	Footnote
				Balance at December 31, 2025	Balance at December 31, 2024	Number of shares	Ownership (%)	Book value			
WT MICROELECTRONICS CO., LTD.	WINTECH MICROELECTRONICS HOLDING LIMITED	British Virgin Islands	Holding company	$ 32,029	$ 157,789	31,160	100.00	$ 8,978,847	$ 527,172	$ 526,785	Subsidiary
WT MICROELECTRONICS CO., LTD.	TECHMOSA INTERNATIONAL INC.	Taiwan	Sales of electronic components	-	1,781,829	-	100.00	-	1,305,376	1,305,376	Subsidiary and Note 7
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Taiwan	Sales of electronic components	35,106,620	15,106,620	923,760,000	100.00	40,290,785	5,462,563	5,462,563	Subsidiary
WT MICROELECTRONICS CO., LTD.	BSI SEMICONDUCTOR PTE. LTD.	Singapore	Holding company	486,289	486,289	7,544,002	100.00	827,336	1,974	1,974	Subsidiary
WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Taiwan	Sales of electronic components	323,751	323,751	28,227,197	100.00	1,569,665	719,517	719,517	Subsidiary
WT MICROELECTRONICS CO., LTD.	MILESTONE INVESTMENT CO., LTD.	Taiwan	General investment	-	61,985	-	0.00	-	403	403	Subsidiary and Note 3
WT MICROELECTRONICS CO., LTD.	SINYIE INVESTMENT CO., LTD.	Taiwan	General investment	-	52,000	-	0.00	-	46	46	Subsidiary
WT MICROELECTRONICS CO., LTD.	MSD HOLDINGS PTE. LTD.	Singapore	Sales of electronic components	-	112,745	-	0.00	-	(238)	(238)	Subsidiary and Note 4
WT MICROELECTRONICS CO., LTD.	MAXTEK TECHNOLOGY CO., LTD.	Taiwan	Sales of electronic components	1,895,949	1,895,949	70,220,331	100.00	1,685,121	53,847	53,847	Subsidiary
WT MICROELECTRONICS CO., LTD.	ANALOG WORLD CO., LTD.	South Korea	Sales of electronic components	-	397,230	-	100.00	-	9,572	(11,131)	Subsidiary and Note 9
WT MICROELECTRONICS CO., LTD.	WT SEMICONDUCTOR HOLDINGS PTE. LTD.	Singapore	Holding company	-	4,057,274	-	0.00	-	-	-	Note 8
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY (H.K.) LIMITED	Hong Kong	Sales of electronic components	-	4,808	-	0.00	-	(23)	(23)	Subsidiary and Note 6
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Hong Kong	Sales of electronic components	402,761	402,761	12,527,632	100.00	1,164,494	337,246	337,246	Subsidiary
WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Hong Kong	Sales of electronic components	451,386	451,386	110,000,000	100.00	609,841	46,717	46,717	Subsidiary
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Singapore	Sales of electronic components	4,864,726	128,849	156,698,335	100.00	6,421,895	827,008	827,008	Subsidiary
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Singapore	Sales of electronic components	156,727	156,727	5,000,000	100.00	160,727	98	98	Subsidiary
WT MICROELECTRONICS CO., LTD.	MORRIHAN SINGAPORE PTE. LTD.	Singapore	Sales of electronic components	148,051	-	7,000,000	100.00	3,919,807	1,187,971	1,187,971	Subsidiary
WT MICROELECTRONICS CO., LTD.	NICHIDENBO CORPORATION	Taiwan	Sales of electronic components	1,444,511	-	102,000,000	35.47	9,121,417	1,252,728	116,085	Associates

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2025			Net profit (loss) of the investee for the year ended December 31, 2025	Investment income (loss) recognised by the Company for the year ended December 31, 2025	Footnote
				Balance at December 31, 2025	Balance at December 31, 2024	Number of shares	Ownership (%)	Book value			
WT MICROELECTRONICS CO., LTD.	FUTURE ELECTRONICS INC.	Canada	Sales of electronic components	$ 60,746,079	$ 60,746,079	51	51.00	$ 65,411,135	$ 6,016,495	$ 2,921,166	Subsidiary
WINTECH MICROELECTRONICS HOLDING LIMITED	PROMISING INVESTMENT LIMITED	Mauritius	General investment	961,095	961,095	30,632,506	100.00	931,515	54,443	Note 1	Subsidiary
WINTECH MICROELECTRONICS HOLDING LIMITED	WINTECH INVESTMENT CO., LTD.	Belize	General investment	659,533	659,533	21,020,957	100.00	1,041,524	(6,315)	Note 1	Subsidiary
WINTECH MICROELECTRONICS HOLDING LIMITED	WINTECH MICROELECTRONICS LTD.	Belize	Sales of electronic components	624,366	94,128	19,900,100	100.00	10,744	(18,813)	Note 1	Subsidiary
WINTECH MICROELECTRONICS HOLDING LIMITED	JCD OPTICAL (CAYMAN) CO., LTD.	Cayman Islands	Holding company	74,481	74,481	5,869,093	16.94	8,548	(55,347)	Note 1	Associates
WINTECH MICROELECTRONICS HOLDING LIMITED	JOY CAPITAL LTD.	Seychelles	General investment	37,650	37,650	1,200,000	17.65	10,651	(3,182)	Note 1	Associates
WINTECH MICROELECTRONICS HOLDING LIMITED	RAINBOW STAR GROUP LIMITED	British Virgin Islands	General investment	31,375	31,375	18,924	24.65	-	(11,835)	Note 1	Associates
PROMISING INVESTMENT LIMITED	NINO CAPITAL CO., LTD.	Samoa	Holding company	9,758	9,758	311,000	100.00	40,308	14	Note 1	Subsidiary
PROMISING INVESTMENT LIMITED	RICH WEB LTD.	British Virgin Islands	Holding company	720,823	720,823	22,974,430	100.00	803,985	54,721	Note 1	Subsidiary
WINTECH INVESTMENT CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	South Korea	Sales of electronic components	571,242	571,242	3,800,000	95.47	919,512	(12,920)	Note 1	Subsidiary
ANALOG WORLD CO., LTD.	LEADERS TECHNOLOGY CO.,LTD	South Korea	Sales of electronic components	-	194,850	-	0.00	-	(3,237)	Note 1	Subsidiary and Note 5
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (MALAYSIA) SDN. BHD.	Malaysia	Selling and technology servicing	3,871	3,871	500,000	100.00	3,100	(118)	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	BRILLNICS INC.	Cayman Islands	Holding company	1,222,496	1,222,496	49,336,630	60.03	412,524	80,295	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (THAILAND) LIMITED.	Thailand	Sales of electronic components	2,985	2,985	300,000	100.00	3,598	825	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS INDIA PRIVATE LIMITED	India	Selling and technology servicing	2,512	2,512	700,000	100.00	6,791	2,267	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT SEMICONDUCTOR HOLDINGS PTE. LTD.	Singapore	Holding company	4,788,966	4,057,274	165,738,987	100.00	5,058,138	374,025	Note 1	Subsidiary and Note 8
MORRIHAN INTERNATIONAL CORP.	ASIA LATEST TECHNOLOGY LIMITED	Mauritius	Holding company	37,771	37,771	1,120,000	100.00	45,573	(168)	Note 1	Subsidiary
MORRIHAN INTERNATIONAL CORP.	FUTURE ELECTRONICS INC.	Canada	Sales of electronic components	58,363,869	58,363,869	49	49.00	62,845,992	6,016,495	Note 1	Subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2025			Net profit (loss) of the investee for the year ended December 31, 2025	Investment income (loss) recognised by the Company for the year ended December 31, 2025	Footnote
				Balance at December 31, 2025	Balance at December 31, 2024	Number of shares	Ownership (%)	Book value			
BSI SEMICONDUCTOR PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD.	South Korea	Sales of electronic components	$ 54,421	$ 54,421	180,472	4.53	$ 29,257	($ 12,920)	Note 1	Subsidiary
BSI SEMICONDUCTOR PTE. LTD.	WONCHANG SEMICONDUCTOR CO., LTD.	South Korea	Sales of electronic components	24,607	24,607	53,505	100.00	184,053	(13,483)	Note 1	Subsidiary
TECHMOSA INTERNATIONAL INCORPORATION	MORRIHAN SINGAPORE PTE. LTD.	Singapore	Sales of electronic components	-	210,451	-	0.00	-	-		Note 7
MAXTEK TECHNOLOGY CO., LTD	HONGTECH ELECTRONICS CO., LTD.	Taiwan	Sales of electronic components	115,000	115,000	11,500,000	100.00	215,870	(440,776)	Note 1	Subsidiary
MAXTEK TECHNOLOGY CO., LTD	LACEWOOD INTERNATIONAL CORP.	British Virgin Islands	Sales of electronic components	98,376	194,366	500	100.00	12,401	16,327	Note 1	Subsidiary
BRILLNICS INC.	BRILLNICS (HK) LIMITED	Hong Kong	Selling and technology servicing	362,352	2,008,408	64,013,000	100.00	729,177	95,814	Note 1	Subsidiary
BRILLNICS INC.	BRILLNICS SINGAPORE PTE. LTD.	Singapore	Manufacture of electronic components	23,531	23,531	750,002	100.00	(33,627)	(11,424)	Note 1	Subsidiary
BRILLNICS (HK) LIMITED	BRILLNICS JAPAN INC.	Japan	Research and development company	20,130	20,130	100,000	100.00	38,612	5,161	Note 1	Subsidiary
BRILLNICS (HK) LIMITED	BRILLNICS LIMITED	Taiwan	Research and development company	16,694	16,694	1,669,410	100.00	51,119	7,368	Note 1	Subsidiary
WT SEMICONDUCTOR HOLDINGS PTE. LTD.	EXCELPOINT TECHNOLOGY PTE. LTD.	Singapore	Research and development company	5,200,061	5,200,061	120,398,640	100.00	5,058,535	434,153	Note 1	Subsidiary

Note 1: Profit (loss) of investee has been included in the investor, and will not be disclosed separately.

Note 2: Because the foreign holding investee companies prepare consolidated financial statements only, which the Company has significant influence or control, directly or indirectly, is only disclosed to the level of the holding company.

Note 3: MILESTONE INVESTMENT CO., LTD. conducted a short-form merger with the Company (effective date set on March 1, 2025) and the registration had been completed on April 9, 2025.

Note 4: On August 21, 2025, MSD HOLDINGS PTE. LTD. has been dissolved and liquidated.

Note 5: On June 30, 2025, LEADER'S TECHNOLOGY CO., LTD. has been dissolved and liquidated.

Note 6: On August 22, 2025, WT TECHNOLOGY (H.K.) LIMITED has been dissolved and liquidated.

Note 7: TECHMOSA INTERNATIONAL INC. conducted a short-form merger with the Company (effective date set on November 30, 2025) and the registration had been completed on December 18, 2025.

Note 8: The Group underwent an organizational restructuring in December 2025, whereby WT MICROELECTRONICS SINGAPORE PTE. LTD. directly holds the equity of WT SEMICONDUCTOR HOLDINGS PTE. LTD.

Note 9: On November 12, 2025, ANALOG WORLD CO., LTD. has been dissolved and liquidated.

WT Microelectronics Co., Ltd. and subsidiaries

Information on investments in Mainland China

Year ended December 31, 2025

Table 8

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2025		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Net income of investee for the year ended December 31, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2025 (Note 2)	Book value of investment in Mainland China as of December 31, 2025	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2025	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
SHANGHAI WT MICROELECTRONICS CO., LTD.	International trade, entrepot trade and etc.	$ 9,413	2	$ 9,413	$ -	$ -	$ 9,413	$ 14	100.00	$ 14	$ 40,231	$ -	Note 5
WT MICROELECTRONICS (SHENZHEN) CO., LTD.	International trade, entrepot trade and etc.	717,696	2	659,756	-	-	659,756	54,721	100.00	54,721	803,875	-	Note 6
WT MICROELECTRONICS (SHANGHAI) CO., LTD.	International trade	1,102,831	2	600,831	-	-	600,831	312,233	100.00	312,233	2,395,229	-	Note 7
WT MICROELECTRONICS (SHANGHAI) TECHNOLOGY CO., LTD.	Technical service, international trade, entrepot trade and etc.	41,729	3	31,375	-	-	31,375	(168)	100.00	(168)	45,564	-	Note 4
JCD OPTICAL CORPORATION	Production and sales of optoelectronic materials and components	160,013	2	20,834	-	-	20,834	(61,720)	16.94	(10,455)	494	-	Note 8
SYNERGY ELECTRONICS (SHENZHEN) CO., LTD.	International trade, entrepot trade and etc.	8,064	2	-	-	-	-	(4,086)	100.00	(4,086)	(314,244)	-	Note 9
EXCELPOINT INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	International trade, entrepot trade and etc.	47,063	2	-	-	-	-	282,208	100.00	282,208	41,363	-	Note 9
FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	International trade, entrepot trade and etc.	75,300	2	-	-	-	-	282,484	100.00	282,484	2,115,883	-	Note 10

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note 3)
WT MICROELECTRONICS CO., LTD.	$ 3,967,203	$ 3,967,203	$ 70,762,984

Note 1: The investment methods are classified into the following six categories:

(1) Directly investing in Mainland China.

(2) Through investing in companies in the third area, which then invested in the investee in Mainland China.

(3) Others.

Note 2: Investment gains or losses were recognised based on reviewed financial statements.

Note 3: The amount disclosed was 60% of net assets and based on Investment Commission, MOEA Regulation No. 09704604680 announced on August 29, 2008.

Note 4: This is a China subsidiary which was reinvested through the company in the third area when MORRIHAN INTERNATIONAL CORP. was acquired in September 2009.

Note 5: This is a China company which was invested through the company, NINO CAPITAL CO., LTD., in the third area.

Note 6: This is a China company which was invested through the company, RICH WEB LTD., in the third area.

Note 7: This is a China company which was reinvested through the company, WINTECH MICROELECTRONICS HOLDING LIMITED, in the third area.

Note 8: This is a China company which was reinvested through the company, JCD OPTICAL (CAYMAN) CO., LTD., in the third area.

Note 9: This is a China company which was reinvested through the company, EXCELPOINT SYSTEMS (H.K.) LIMITED, in the third area.

Note 10: This is a China subsidiary which was reinvested through the company in the third area when FUTURE ELECTRONICS INC. was acquired in April 2024.

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2024 AND 2023

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

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of WT Microelectronics Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of WT Microelectronics Co., Ltd. and subsidiaries (the "Group") as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the report of other auditors (refer to the Other matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2024 consolidated financial statements are stated as follows:

Recognition of supplier rebates

Description

Refer to Note 4(13) for accounting policies on supplier rebates.

The Group is primarily engaged in the sales of electronic and communication components. In line with industry practice, the Group has entered into rebate arrangements with its suppliers for various kinds and quantities of inventories. Under the arrangement, the Group calculates the amount of supplier rebates based on sales breakdown, which is recognised as a deduction of accounts payable to suppliers and a deduction of operating costs. The Group pays the net purchase price, after confirming that the rebate is granted and the credit memo from its suppliers has been received.

As the terms of different types of supplier rebates vary and change frequently, the calculation is complex. The Group relies on the information system to gather related transaction information, and manually matches each inventory category with its corresponding rebate term to calculate the supplier rebate that should be recognised. Since the supplier rebate is material to the financial statements and more audit effort is required to address this audit matter, the recognition of supplier rebate has been identified as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

A. Obtained an understanding and assessed the internal controls related to supplier rebates. Tested the effectiveness of relevant internal controls, for example, by verifying whether major supplier rebates have been reviewed by the responsible supervisor, and the inventory cost has been correctly deducted and paid in net amount based on the credit memo approved by suppliers;
B. Selected samples of supplier rebates and performed test of transaction data to confirm whether the transaction quantities are consistent with sales breakdown. Also, verified arrangements and calculation worksheets, and recalculated supplier rebates to ensure that the rebate recognition is consistent with the contract;
C. Selected samples of supplier rebates which were recognised before the balance sheet date but have not yet been confirmed by suppliers, verified its consistency and reasonableness with subsequent credit memos approved by suppliers after the balance sheet date, and confirmed whether there were any material differences; and
D. Performed confirmation of selected material accounts payable, including supplier rebates which have been confirmed by suppliers, and examined the reconciliation for the differences between the amount stated in the suppliers' confirmation and the Group's records.

Assessment of inventory valuation losses

Description

Refer to Note 4(13) for accounting policies on inventory valuation, Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(6) for details of inventory valuation. As at December 31, 2024, the Group's inventories and allowance for inventory valuation losses were NT$162,563,495 thousand and NT$1,635,621 thousand, respectively.

The Group is primarily engaged in the sales of various kinds of electronic components.

Due to rapid technology innovations, short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses arising from market value decline or obsolescence. For non-obsolete inventories, the net realisable value is estimated based on the estimated selling price within a certain period around the balance sheet date. The obsolete inventories are individually identified as obsolete or damaged, if any. Since the amount of inventory is material, inventory types vary, sources of information in calculating the net realisable value of each type of inventories are various, and the identification of obsolete and damaged inventory and its net realisable value is subject to management's judgement, we considered the assessment of inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

A. Obtained an understanding and evaluated the process of inventory and warehouse management, examined the annual plan and participated in stock take to assess the effectiveness of management's identification and controls on obsolete inventory;
B. Obtained an understanding of the Group's nature of business and industry in order to assess whether the provision policies and procedures were applied consistently and reasonably during the periods, including identified as obsolete with supporting documents, and agreed to information obtained from physical inventory; and
C. Obtained the net realisable value statement of each inventory, and tested supporting documents in relation to sources of information in calculating the net realisable value.

Assessment of the reasonableness of the purchase price allocation for business combination

Description

Refer to Note 4(31) for accounting policies on business combination, and Note 6(32) for details of business combination.

The Group acquired all the shares of Future Electronics Inc. in April 2024 for a consideration of NT$121.524 billion, and the allocation of purchase price of the business combination was finalised during the fourth quarter of 2024.

The acquisition price and the amount of intangible assets arising from the business

acquisition are significant and the net fair value of identifiable assets and liabilities and the allocation of intangible assets are based on management's estimation and subjective judgement. Thus, we considered the purchase price allocation for the above business combination a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

A. Assessed the appropriateness and objectivity of the appraisers appointed by the management; and
B. Reviewed identification of intangible assets, fair value measurement of identifiable intangible assets, discount rates and the reasonableness of goodwill calculation in the purchase price allocation report prepared by external experts.
C. The auditors used the work of valuation experts to assist in assessing the reasonableness of significant assumptions, such as projected growth rates and discount rates, adopted in the model.

Other matter – Reference to the audits of other auditors

We did not audit the financial statements of certain subsidiaries which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of the other auditors. The total assets of these subsidiaries as at December 31, 2023 amounted to NT$15,668,852 thousand, constituting 5.91% of the consolidated total assets. Revenue for the year ended December 31, 2023 amounted to NT$39,438,389 thousand, constituting 6.63% of the consolidated net operating revenue.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of WT Microelectronics Co., Ltd. as at and for the years ended December 31, 2024 and 2023.

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

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

A. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

Hsu, Sheng-Chung　　Chieh-Ju, Hsu

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 25, 2025

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 39,727,726	10	$ 22,747,549	9
1110	Financial assets at fair value through profit or loss - current	6(2)	19,298	-	42,151	-
1120	Financial assets at fair value through other comprehensive income - current	6(3)	367,589	-	1,106,224	-
1170	Accounts receivable, net	6(4) and 7	142,094,108	34	111,636,650	42
1200	Other receivables	6(4)(5)	5,956,485	1	5,550,957	2
130X	Inventories	6(6)	160,927,874	39	95,715,497	36
1410	Prepayments		2,126,440	1	1,397,586	1
1470	Other current assets	6(1) and 8	766,714	-	550,331	-
11XX	**Total current assets**		351,986,234	85	238,746,945	90
	Non-current assets					
1510	Financial assets at fair value through profit or loss - non-current	6(2)	391,828	-	360,778	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	11,662,725	3	18,833,048	7
1550	Investments accounted for using equity method	6(7)	31,612	-	44,539	-
1600	Property, plant and equipment	6(8)	3,191,522	1	1,262,530	1
1755	Right-of-use assets	6(9)	2,255,876	1	1,030,253	1
1760	Investment property - net	6(10)	186,949	-	190,318	-
1780	Intangible assets	6(11)	40,847,105	10	3,339,635	1
1840	Deferred income tax assets	6(30)	1,454,225	-	828,845	-
1900	Other non-current assets		482,210	-	548,081	-
15XX	**Total non-current assets**		60,504,052	15	26,438,027	10
1XXX	**Total assets**		$ 412,490,286	100	$ 265,184,972	100

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WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(12)	$ 35,412,779	9	$ 19,821,848	8
2110	Short-term notes and bills payable	6(13)	1,598,968	-	349,848	-
2120	Financial liabilities at fair value through profit or loss - current	6(2)	138	-	41,185	-
2130	Contract liabilities - current	6(23)	1,132,253	-	1,461,903	1
2170	Accounts payable	7	186,740,851	45	147,955,015	56
2200	Other payables	6(14)	9,009,470	2	5,980,439	2
2230	Current income tax liabilities		2,157,158	1	745,342	-
2280	Lease liabilities - current		740,498	-	240,516	-
2320	Long-term liabilities, current portion	6(15)	73,218	-	88,382	-
2365	Refund liabilities - current	6(23)	1,572,327	-	1,127,279	-
2399	Other current liabilities		1,897,226	1	77,048	-
21XX	**Total current liabilities**		240,334,886	58	177,888,805	67
	Non-current liabilities					
2540	Long-term loans	6(15)	63,366,390	16	12,644,242	5
2570	Deferred income tax liabilities	6(30)	3,296,245	1	1,031,875	-
2580	Lease liabilities - non-current		1,220,065	-	478,104	-
2600	Other non-current liabilities		409,428	-	1,196,294	1
25XX	**Total non-current liabilities**		68,292,128	17	15,350,515	6
2XXX	**Total liabilities**		308,627,014	75	193,239,320	73
	Equity attributable to owners of parent					
	Share capital	6(18)				
3110	Common stock		11,164,167	3	8,873,017	3
3120	Preferred stock		1,350,000	-	1,350,000	1
3130	Certificates of entitlement to new shares from convertible bonds		7,370	-	6,540	-
3140	Advance receipts for share capital		-	-	5,423,396	2
	Capital surplus	6(19)				
3200	Capital surplus		47,673,484	11	25,680,674	9
	Retained earnings	6(20)				
3310	Legal reserve		4,717,884	1	4,311,098	2
3320	Special reserve		-	-	1,564,387	1
3350	Unappropriated retained earnings		27,052,694	7	14,300,632	5
	Other equity interest	6(21)				
3400	Other equity interest		10,909,959	3	9,599,039	4
31XX	**Equity attributable to owners of the parent**		102,875,558	25	71,108,783	27
36XX	Non-controlling interest	6(22)	987,714	-	836,869	-
3XXX	**Total equity**		103,863,272	25	71,945,652	27
	Commitments and contingent liabilities	9				
3X2X	**Total liabilities and equity**		$ 412,490,286	100	$ 265,184,972	100

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	Items	Notes	Year ended December 31			
			2024		2023	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(23) and 7	$ 959,431,897	100	$ 594,518,813	100
5000	Operating costs	6(6) and 7	(921,829,827)	(96)	(576,112,549)	(97)
5900	Gross profit		37,602,070	4	18,406,264	3
	Operating expenses	6(28)				
6100	Selling expenses		(16,573,833)	(2)	(6,383,289)	(1)
6200	General and administrative expenses		(4,815,204)	(1)	(3,059,840)	(1)
6300	Research and development expenses		(850,587)	-	(755,450)	-
6450	Impairment loss determined in accordance with IFRS 9	12(2)	(98,126)	-	(7,762)	-
6000	Total operating expenses		(22,337,750)	(3)	(10,206,341)	(2)
6900	Operating profit		15,264,320	1	8,199,923	1
	Non-operating income and expenses					
7100	Interest income	6(24)	829,108	-	151,614	-
7010	Other income	6(25)	492,507	-	594,130	-
7020	Other gains and losses	6(26)	351,246	-	148,295	-
7050	Finance costs	6(27)	(5,080,083)	-	(3,880,037)	-
7060	Share of loss of associates and joint ventures accounted for using equity method	6(7)	(22,314)	-	(18,560)	-
7000	Total non-operating income and expenses		(3,429,536)	-	(3,004,558)	-
7900	**Profit before income tax**		11,834,784	1	5,195,365	1
7950	Income tax expense	6(30)	(2,628,699)	-	(1,216,531)	-
8200	**Profit for the year**		$ 9,206,085	1	$ 3,978,834	1

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WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	Items	Notes	Year ended December 31			
			2024		2023	
			AMOUNT	%	AMOUNT	%
	Other comprehensive income (loss)					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Gain (loss) on remeasurements of defined benefit plans	6(16)	$ 23,419	-	($ 2,115)	-
8316	Unrealised gain on valuation of equity investment instruments measured at fair value through other comprehensive income	6(21)(22)	620,766	-	11,228,827	2
8349	Income tax related to components of other comprehensive (loss) income that will not be reclassified to profit or loss	6(30)	(4,684)	-	423	-
8310	Other comprehensive income that will not be reclassified to profit or loss		639,501	-	11,227,135	2
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(21)(22)	6,595,476	1	(312,036)	-
8368	Losses on hedging instrument	6(21)	(1,165,532)	-	-	-
8370	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method	6(21) and 7	513	-	(116)	-
8360	Other comprehensive income (loss) that will be reclassified to profit or loss		5,430,457	1	(312,152)	-
8300	**Total other comprehensive income for the year**		$ 6,069,958	1	$ 10,914,983	2
8500	**Total comprehensive income for the year**		$ 15,276,043	2	$ 14,893,817	3
	Profit (loss) attributable to:					
8610	Owners of the parent		$ 9,112,156	1	$ 4,012,142	1
8620	Non-controlling interest		93,929	-	(33,308)	-
			$ 9,206,085	1	$ 3,978,834	1
	Comprehensive income (loss) attributable to:					
8710	Owners of the parent		$ 15,130,332	2	$ 14,929,690	3
8720	Non-controlling interest		145,711	-	(35,873)	-
			$ 15,276,043	2	$ 14,893,817	3
	Earnings per share (in dollars)	6(31)				
9750	Basic earnings per share		$ 8.13		$ 4.24	
9850	Diluted earnings per share		$ 8.05		$ 4.17	

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent											
		Capital					Retained Earnings						
		Share capital - common stock	Preferred stock	Certificates of bond-to-stock conversion	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Other equity interest	Total	Non-controlling interest	Total equity
2023													
Balance at January 1, 2023		$ 8,835,297	$ 1,350,000	$ -	$ -	$ 25,294,109	$ 3,542,791	$ -	$ 16,647,535	($ 1,564,387)	$ 54,105,345	$ 868,976	$ 54,974,321
Consolidated net income (loss)		-	-	-	-	-	-	-	4,012,142	-	4,012,142	(33,308)	3,978,834
Other comprehensive income (loss)	6(21)(22)	-	-	-	-	-	-	-	(1,692)	10,919,240	10,917,548	(2,565)	10,914,983
Total comprehensive income (loss)		-	-	-	-	-	-	-	4,010,450	10,919,240	14,929,690	(35,873)	14,893,817
Appropriations of 2022 earnings:													
Legal reserve		-	-	-	-	-	768,307	-	(768,307)	-	-	-	-
Special reserve		-	-	-	-	-	-	1,564,387	(1,564,387)	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	-	-	(3,812,065)	-	(3,812,065)	-	(3,812,065)
Cash dividends for preferred stock		-	-	-	-	-	-	-	(270,000)	-	(270,000)	-	(270,000)
Capital injection		-	-	-	5,423,396	-	-	-	-	-	5,423,396	-	5,423,396
Employee stock options exercised	6(18)(19)	38,960	-	6,540	-	138,441	-	-	-	-	183,941	-	183,941
Cancellation of employee restricted shares	6(18)(19)	(1,240)	-	-	-	1,240	-	-	-	-	-	-	-
Changes in restricted stocks to employees	6(19)(21)	-	-	-	-	(3,531)	-	-	-	3,531	-	-	-
Changes in ownership interests in subsidiaries	6(19)	-	-	-	-	-	-	-	(1,707)	-	(1,707)	-	(1,707)
Compensation cost of share-based payments	6(17)	-	-	-	-	250,415	-	-	-	46,695	297,110	-	297,110
Changes in non-controlling interest	6(22)	-	-	-	-	-	-	-	-	-	-	3,766	3,766
Disposal of financial assets at fair value through other comprehensive income	6(21)	-	-	-	-	-	-	-	59,113	(59,113)	-	-	-
Changes in redemption liability recognised as other equity	6(21)	-	-	-	-	-	-	-	-	253,073	253,073	-	253,073
Balance at December 31, 2023		$ 8,873,017	$ 1,350,000	$ 6,540	$ 5,423,396	$ 25,680,674	$ 4,311,098	$ 1,564,387	$ 14,300,632	$ 9,599,039	$ 71,108,783	$ 836,869	$ 71,945,652
2024													
Balance at January 1, 2024		$ 8,873,017	$ 1,350,000	$ 6,540	$ 5,423,396	$ 25,680,674	$ 4,311,098	$ 1,564,387	$ 14,300,632	$ 9,599,039	$ 71,108,783	$ 836,869	$ 71,945,652
Consolidated net income		-	-	-	-	-	-	-	9,112,156	-	9,112,156	93,929	9,206,085
Other comprehensive income	6(21)(22)	-	-	-	-	-	-	-	18,735	5,999,441	6,018,176	51,782	6,069,958
Total comprehensive income		-	-	-	-	-	-	-	9,130,891	5,999,441	15,130,332	145,711	15,276,043
Appropriations of 2023 earnings:													
Legal reserve		-	-	-	-	-	406,786	-	(406,786)	-	-	-	-
Reversal of special reserve		-	-	-	-	-	-	(1,564,387)	1,564,387	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	-	-	(2,008,438)	-	(2,008,438)	-	(2,008,438)
Cash dividends for preferred stock		-	-	-	-	-	-	-	(270,000)	-	(270,000)	-	(270,000)
Capital injection	6(18)(19)	2,200,000	-	-	(5,423,396)	21,470,853	-	-	-	-	18,247,457	-	18,247,457
Employee stock options exercised	6(18)(19)	91,790	-	830	-	422,022	-	-	-	-	514,642	-	514,642
Cancellation of employee restricted shares	6(18)(19)	(640)	-	-	-	640	-	-	-	-	-	-	-
Changes in restricted stocks to employees	6(19)(21)	-	-	-	-	(2,947)	-	-	-	2,947	-	-	-
Changes in ownership interests in subsidiaries		-	-	-	-	(2,191)	-	-	98	-	(2,093)	-	(2,093)
Changes in equity of associates accounted for using equity method	6(7)(19)	-	-	-	-	5,549	-	-	-	-	5,549	-	5,549
Compensation cost of share-based payments	6(17)	-	-	-	-	98,884	-	-	-	20,873	119,757	-	119,757
Changes in non-controlling interest	6(22)	-	-	-	-	-	-	-	-	-	-	5,134	5,134
Disposal of financial assets at fair value through other comprehensive income	6(21)(22)	-	-	-	-	-	-	-	4,741,910	(4,741,910)	-	-	-
Changes in redemption liability recognised as other equity	6(21)	-	-	-	-	-	-	-	-	29,569	29,569	-	29,569
Balance at December 31, 2024		$ 11,164,167	$ 1,350,000	$ 7,370	$ -	$ 47,673,484	$ 4,717,884	$ -	$ 27,052,694	$ 10,909,959	$ 102,875,558	$ 987,714	$ 103,863,272

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 11,834,784	$ 5,195,365
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(28)	1,047,720	448,487
Amortisation	6(28)	359,192	107,214
Impairment loss determined in accordance with IFRS 9	12(2)	98,126	7,762
Net gain on financial assets and liabilities at fair value through profit or loss	6(26)	(651,699)	(235,377)
Share-based payments	6(17)	119,757	297,110
Share of profit or loss of associates and joint ventures accounted for using equity method	6(7)	22,314	18,560
Loss on disposal of property, plant and equipment, net	6(26)	9,745	968
Interest expense	6(27)	3,414,912	2,253,878
Interest income	6(24)	(829,108)	(151,614)
Dividend income	6(25)	(258,272)	(436,092)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		34,635,992	(28,279,834)
Other receivables		1,364,316	(3,331,271)
Inventories		(15,251,248)	(4,815,087)
Prepayments		(201,430)	(564,798)
Other current assets (including contract assets)		(167,112)	2,118
Changes in operating liabilities			
Financial assets and liabilities at fair value through profit or loss		576,411	255,639
Contract liabilities		(403,733)	567,790
Accounts payable		3,738,641	70,408,917
Other payables		3,063,168	2,144,551
Other current liabilities (including refund liabilities)		2,746,355	445,296
Net defined benefit liability		153,383	12,971
Cash inflow generated from operations		45,422,214	44,352,553
Interest received		829,108	151,614
Dividends received		258,272	436,092
Interest paid		(3,369,834)	(2,323,213)
Income taxes paid		(712,114)	(1,589,006)
Net cash flows from operating activities		42,427,646	41,028,040

(Continued)

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		($ 5,097)	($ 88,568)
Proceeds from disposal of financial assets at fair value through profit or loss		14,195	-
Acquisition of financial assets at fair value through other comprehensive income		(12,500)	(30,201)
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	8,556,585	462,219
Proceeds from capital reduction of financial assets at fair value through other comprehensive income		20,866	-
Increase in other financial assets		(9,500)	(497,218)
Acquisition of property, plant and equipment	6(33)	(249,046)	(228,298)
Proceeds from disposal of property, plant and equipment		41,164	5,418
Acquisition of intangible assets	6(11)	(70,096)	(24,930)
Increase in guarantee deposits		(59,501)	(17,572)
Decrease in guarantee deposits		226,590	8,900
Net cash payments for business combination	6(33)	(117,455,548)	(199,306)
Decrease (increase) in other non-current assets		115,999	(129,084)
Net cash flows used in investing activities		(108,885,889)	(738,640)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(34)	1,719,020,108	820,759,706
Decrease in short-term borrowings	6(34)	(1,703,763,190)	(839,211,405)
Increase (decrease) in short-term notes and bills payable	6(34)	1,229,506	(716,769)
Proceeds from long-term loans	6(34)	215,502,756	55,312,534
Repayments of long-term loans	6(34)	(164,873,980)	(60,349,891)
Payment of lease liabilities	6(34)	(656,927)	(279,375)
(Decrease) increase in other non-current liabilities		(909,131)	5,089
Cash dividends paid	6(20)	(2,278,438)	(4,082,065)
Acquisition of equity of subsidiary	6(33)	-	(1,786)
Employee stock options exercised		511,695	183,941
Capital injection		18,247,457	5,423,396
Net cash flows from (used in) financing activities		82,029,856	(22,956,625)
Effect of exchange rate changes on cash and cash equivalents		1,408,564	31,520
Net increase in cash and cash equivalents		16,980,177	17,364,295
Cash and cash equivalents at beginning of year		22,747,549	5,383,254
Cash and cash equivalents at end of year		$ 39,727,726	$ 22,747,549

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

1. HISTORY AND ORGANISATION

WT Microelectronics Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in the sales of electronic, communication components, and their components, as well as general import and export trade.

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

These consolidated financial statements were reported to the Board of Directors on February 25, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

New standards, interpretations and amendments endorsed by the FSC and became effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 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
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

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

IFRS 18, 'Presentation and disclosure in financial statements'

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1) Compliance statement

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

(2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Financial assets at fair value through other comprehensive income.

(c) Defined benefit assets (liabilities) recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

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

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) December 31, 2024	Ownership (%) December 31, 2023	Note
WT Microelectronics Co., Ltd.	Wintech Microelectronics Holding Limited	Investment Company	100	99.65	(e)
WT Microelectronics Co., Ltd.	Morrihan International Corp.	Trading Company	100	100	
WT Microelectronics Co., Ltd.	BSI Semiconductor Pte. Ltd.	Investment Company	100	100	
WT Microelectronics Co., Ltd.	Nuvision Technology Inc.	Trading Company	100	100	
WT Microelectronics Co., Ltd.	Milestone Investment Co., Ltd.	Investment Company	100	100	
WT Microelectronics Co., Ltd.	SinYie Investment Co., Ltd.	Investment Company	-	100	(b)
WT Microelectronics Co., Ltd.	Techmosa International Inc.	Trading Company	100	100	
WT Microelectronics Co., Ltd.	MSD Holdings Pte. Ltd.	Trading Company	100	100	
WT Microelectronics Co., Ltd.	Maxtek Technology Co., Ltd.	Trading Company	100	100	
WT Microelectronics Co., Ltd.	Analog World Co., Ltd.	Trading Company	100	100	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) December 31, 2024	Ownership (%) December 31, 2023	Note
WT Microelectronics Co., Ltd.	WT Semiconductor Holdings Pte. Ltd.	Investment Company	80	80	
WT Microelectronics Co., Ltd.	WT Solomon QCE Ltd.	Trading Company	100	100	
WT Microelectronics Co., Ltd.	WT Microelectronics (Hong Kong) Limited	Trading Company	100	100	
WT Microelectronics Co., Ltd.	WT Technology (H.K.) Limited	Trading Company	100	100	(f)
WT Microelectronics Co., Ltd.	WT Microelectronics Singapore Pte. Ltd.	Trading Company	100	100	
WT Microelectronics Co., Ltd.	WT Technology Pte. Ltd.	Trading Company	100	100	
WT Microelectronics Co., Ltd.	Future Electronics Inc.	Trading Company	51	-	(d)
Wintech Microelectronics Holding Limited	WT Microelectronics (Shanghai) Co., Ltd.	Trading Company	100	100	
Wintech Microelectronics Holding Limited	Promising Investment Limited	Investment Company	100	100	
Wintech Microelectronics Holding Limited	Wintech Microelectronics Ltd.	Trading Company	100	100	
Wintech Microelectronics Holding Limited	Wintech Investment Co., Ltd.	Investment Company	100	100	
Wintech Microelectronics Holding Limited	Brillnics Inc.	Investment Company	-	61.23	(a)(c)
BSI Semiconductor Pte. Ltd.	Wonchang Semiconductor Co., Ltd.	Trading Company	100	100	
BSI Semiconductor Pte. Ltd.	WT Technology Korea Co., Ltd.	Trading Company	4.53	4.53	
Morrihan International Corp.	Asia Latest Technology Limited	Investment Company	100	100	
Morrihan International Corp.	Future Electronics Inc.	Trading Company	49	-	(d)

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) December 31, 2024	Ownership (%) December 31, 2023	Note
Promising Investment Limited	Nino Capital Co., Ltd.	Investment Company	100	100	
Promising Investment Limited	Rich Web Ltd.	Investment Company	100	100	
Wintech Investment Co., Ltd.	WT Microelectronics (Malaysia) Sdn. Bhd.	Selling and Technology Servicing	100	100	
Wintech Investment Co., Ltd.	WT Technology Korea Co., Ltd.	Trading Company	95.47	95.47	
Nino Capital Co., Ltd.	Shanghai WT Microelectronics Co., Ltd.	Trading Company	100	100	
Rich Web Ltd.	WT Microelectronics (Shenzhen) Co., Ltd.	Trading Company	100	100	
WT Microelectronics Singapore Pte. Ltd.	Brillnics Inc.	Investment Company	60.34	-	(a)(c)
WT Microelectronics Singapore Pte. Ltd.	WT Microelectronics (Thailand) Co., Limited.	Selling and Technology Servicing	100	100	
WT Microelectronics Singapore Pte. Ltd.	WT Microelectronics India Private Limited	Selling and Technology Servicing	100	100	
SinYie Investment Co., Ltd.	Wintech Microelectronics Holding Limited	Investment Company	-	0.35	(e)
Asia Latest Technology Limited	WT Microelectronics (Shanghai) Technology Co., Ltd.	Selling and Technology Servicing	100	100	
Techmosa International Inc.	Morrihan Singapore Pte. Ltd.	Trading Company	100	100	
Maxtek Technology Co., Ltd.	HongTech Electronics Co., Ltd.	Trading Company	100	100	
Maxtek Technology Co., Ltd.	Lacewood International Corp.	Trading Company	100	100	
Brillnics Inc.	Brillnics (HK) Limited	Selling and Technology Servicing	100	100	
Brillnics Inc.	Brillnics Singapore Pte. Ltd.	Trading Company	100	100	
Brillnics (HK) Limited	Brillnics Japan Inc.	Research and Development Company	100	100	
Brillnics (HK) Limited	Brillnics (Taiwan) Inc.	Research and Development Company	100	100	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) December 31, 2024	Ownership (%) December 31, 2023	Note
WT Semiconductor Holdings Pte. Ltd.	Excelpoint Technology Pte. Ltd.	Investment Company	100	100	
Analog Word Co., Ltd.	Leader's Technology Co., Ltd.	Selling and Technology Servicing	100	100	

(a) Employees of BRILLNICS INC. exercised employee stock options in installments for the years ended December 31, 2024 and 2023 and accordingly, the shareholder ratio decreased to 60.34% and 61.23%, respectively.

(b) In November 2024, SINYIE INVESTMENT CO., Ltd. has been dissolved and liquidated.

(c) In January 2024, WT MICROELECTRONICS SINGAPORE PTE. LTD. directly held all the equity interest in BRILLNICS INC. in response to the adjustment of the Group's organisational structure.

(d) In April 2024, the Group acquired all the equity interest of FUTURE ELECTRONICS INC. by cash and it became a wholly-owned subsidiary of the Group and has been included in the consolidated financial statements since the date of acquisition.

(e) On September 30, 2024, SINYIE INVESTMENT CO., LTD. transferred all of its shares of WINTECH MICROELECTRONICS HOLDING LIMITED to WT MICROELECTRONICS CO., LTD..

(f) As of December 31, 2024, WT Technology (H.K.) Limited was in the process of deregistration.

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

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

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

Name of Subsidiary	Principal place of business	Non-controlling interest December 31, 2024 Amount	Non-controlling interest December 31, 2024 Ownership (%)	Non-controlling interest December 31, 2023 Amount	Non-controlling interest December 31, 2023 Ownership (%)
WT Semiconductor Holdings Pte. Ltd.	Singapore	$ 742,022	20%	$ 771,790	20%

Summarised financial information of WT Semiconductor Holdings Pte. Ltd.:

Balance Sheet

	December 31, 2024	December 31, 2023
Current assets	$ 10,762,516	$ 15,165,272
Non-current assets	2,014,113	1,999,839
Current liabilities	(7,756,993)	(11,955,184)
Non-current liabilities	(142,206)	(245,968)
Total net assets	$ 4,877,430	$ 4,963,959

Statement of comprehensive income

	Years ended December 31,	
	2024	2023
Revenue	$ 42,108,667	$ 39,438,389
Loss for the year from continuing operations	(401,705)	(166,786)
Other comprehensive loss, net of tax	(3,512)	(2,799)
Total comprehensive loss for the year	($ 405,217)	($ 169,585)
Comprehensive loss attributable to non-controlling interest	($ 29,768)	($ 33,800)
Dividends paid to non-controlling interest	$ -	$ -

Statement of cash flows

	Years ended December 31,	
	2024	2023
Net cash flows (used in) from operating activities	($ 507,130)	$ 1,336,160
Net cash flows from (used in) investing activities	24,261	(55,991)
Net cash flows from (used in) financing activities	107,324	(505,363)
Effect of exchange rate changes on cash and cash equivalents	110,328	(14,733)
(Decrease) increase in cash and cash equivalents	(265,217)	760,073
Cash and cash equivalents at beginning of year	1,525,980	765,907
Cash and cash equivalents at end of year	$ 1,260,763	$ 1,525,980

The summarised financial information of the subsidiaries stated above were based on each subgroup's consolidated balance sheets, consolidated statements of comprehensive income and consolidated statements of cash flows in their respective presentation currencies and translated into New Taiwan Dollars at the closing exchange rate at the corresponding balance sheet date and average exchange rate for the current period, respectively.

(4) Foreign currency translation

A. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional and the Group's presentation currency.

B. Foreign currency transactions and balances

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

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses.'

C. Translation of foreign operations

(a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, if the Group retains partial interest in the former foreign associate or joint arrangement after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangement, such transactions should be accounted for as disposal of all interest in these

foreign operations.

(c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

A. These are financial assets that are not measured at amortised cost or at fair value through other comprehensive income and are held for trading if acquired principally for the purpose of repurchasing in the short term. Derivatives are also categorised as financial labilities held for trading unless they are designated as hedges.

B. On a regular way purchase or sale basis, financial assets and liabilities at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets and financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition relating to the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Accounts and notes receivable

A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are initial recognised and subsequently measured at initial invoice amount as the effect of discounting is immaterial.

C. The Group's operating pattern of accounts receivable that are expected to be factored is for the purpose of receiving contract cash flow and selling, and the accounts receivable are subsequently measured at fair value, with any changes in fair value recognised in other comprehensive income.

(10) Impairment of financial assets

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

(11) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

A. The contractual rights to receive the cash flows from the financial asset expire.

B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows of the financial asset have been transferred, however, the Group has not retained control of the financial asset.

(12) Leasing arrangements (lessor) - operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(13) Inventories

A. The cost of inventories includes the purchase price, import duties and other costs directly attributable to the acquisition of goods. The discount, allowance and others alike should be deducted from the cost.

B. Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(14) Investments accounted for using equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for using equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

F. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(15) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings	27 ~ 56 years
Office equipment	2 ~ 25 years
Other assets	2 ~ 15 years

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

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the Group's incremental borrowing interest rate. Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable; and

(b) Variable lease payments that depend on an index or a rate.

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

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date; and

(c) Any initial direct costs incurred by the lessee.

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

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

(17) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 27 ~ 56 years.

(18) Intangible assets

A. Goodwill arises in a business combination accounted for by applying the acquisition method.

B. Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 2 ~ 5 years.

C. Other intangible assets, mainly customer relationship, are recorded at cost and amortised on a straight-line basis over the estimated useful life of 5 ~ 26.74 years.

(19) Impairment of non-financial assets

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

B. The recoverable amount of goodwill shall be evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(20) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are initial recognised and subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(21) Borrowings

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

B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs.

(22) Derecognition of financial liabilities

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

(23) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(24) Hedge accounting

A. At the inception of the hedging relationship, there is formal designation and documentation of the hedging relationship and the Group's risk management objective and strategy for undertaking the hedge. That documentation shall include identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements.

B. The Group designates the hedging relationship as follows hedge of a net investment in a foreign operation.

C. Hedges of a net investment in a foreign operation

(a) It is accounted for similarly to cash flow hedges.

(b) The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income. The ineffective portion is recognised in profit or loss.

(c) The cumulative gain or loss on the hedging instrument relating to the effective portion of the hedge that has been accumulated in the foreign currency translation reserve shall be reclassified from equity to profit or loss as a reclassification adjustment.

(25) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(26) Employee share-based payment

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

B. The grant date of cash capital increase reserved for employee preemption is the date at which the entity and the employee agree to a share-based payment arrangement, being when the entity and the counterparty have a shared understanding of the terms and conditions of the arrangement.

C. Restricted stocks:

(a) Restricted stocks issued to employees are measured at the fair value of the equity instruments granted at the grant date and are recognised as compensation cost over the vesting period.

(b) For restricted stocks where those stocks do not restrict distribution of dividends to employees and employees are not required to return the dividends received if they resign during the vesting period, the Group recognises the fair value of the dividends received by the employees who are expected to resign during the vesting period as compensation cost at the date of dividends declared.

(27) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the shareholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

E. Current income tax assets and liabilities are offset, and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally

enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from research and development expenditures to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(28) Share capital

A. Common stock is classified as equity. The classification of preferred stocks is determined according to the special rights attached to the preferred stocks based on the substance of the contract and the definition of financial liabilities and equity instruments. Preferred stocks are classified as liabilities when they have the basic characteristics of financial liabilities; otherwise, they are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their carrying amount and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(29) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders or Board of Directors. Cash dividends are recorded as liabilities.

(30) Revenue recognition

A. Sales of goods

(a) The Group sells electronic components. Sales are recognised when the control of the products has been transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(b) The goods are often sold with discounts based on aggregate sales. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated sales discounts and allowances. Accumulated experience is used to estimate and provide for the sales discounts and allowances, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected discounts payable to

customers in relation to sales made until the end of the reporting period. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.

(c) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The customer pays at the time specified in the payment schedule. If the payments exceed the merchandise provided, a contract liability is recognised.

B. Services

(a) The Group provides semiconductor development services. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided at the end of the reporting period in a proportion to the total services to be provided. This is determined based on the contract costs incurred for services performed to the estimated total cost for the service contract. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

(b) The Group's estimate about revenue, costs and progress towards complete satisfaction of a performance obligation is subject to a revision whenever there is a change in circumstances. Any increase or decrease in revenue or costs due to an estimate revision is reflected in profit or loss during the period when the management become aware of the changes in circumstances.

(31) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquire recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(32) Operating segments

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

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

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

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

Revenue recognition on a net/gross basis

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for the other party to provide those goods or services (i.e. the Group is an agent) based on the transaction model and its economic substance. The Group is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Group recognises revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Group is an agent if its performance obligation is to arrange for the provision of goods or services by another party. The Group recognises revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Group controls the goods or services before it is provided to a customer include the following:

A. The Group is primarily responsible for the provision of goods or services.

B. The Group assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer.

C. The Group has discretion in establishing prices for the goods or services.

(2) Critical accounting estimates and assumptions

A. Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgement, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units. Refer to Note 6(11) for the information on goodwill impairment as of December 31, 2024.

B. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the estimated selling price in the ordinary course of business within the specified period before the balance sheet date. Therefore, there might be material changes to the evaluation. Refer to Note 6(6) for the carrying amount of inventory as of December 31, 2024.

C. Purchase price allocation for business combination

The net fair value of identifiable assets and liabilities and the allocation of intangible assets are based on management's estimation and subjective judgement. Refer to Note 6(32) for the details of the transaction.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and revolving funds	$ 41,013	$ 2,614
Checking accounts and demand deposits	39,172,931	21,985,282
Time deposits	513,782	759,653
	$ 39,727,726	$ 22,747,549

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

B. The Group's deposits with banks that have been pledged as collateral were classified as 'other current assets.' Refer to Note 8 for details. As of December 31, 2024 and 2023, the time deposits with maturity date over 3 months of $590,551 and $546,080, respectively, are recorded as 'other current assets.'

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

Assets	December 31, 2024	December 31, 2023
Current items:		
Beneficiary certificates	$ -	$ 11,630
Equity instruments	5,486	5,778
Derivatives	13,812	179
Hybrid instruments	-	24,564
	$ 19,298	$ 42,151
Non-current items:		
Beneficiary certificates	$ 341,765	$ 296,852
Debt instruments	33,686	48,573
Hybrid instruments	16,377	15,353
	$ 391,828	$ 360,778

Liabilities	December 31, 2024	December 31, 2023
Current items:		
Derivatives	$ 138	$ 41,185

A. Amounts recognised in profit or loss in relation to financial assets and liabilities measured at fair value through profit or loss are as follows:

	Years ended December 31,	
	2024	2023
Derivatives	$ 631,795	$ 225,595
Beneficiary certificates	37,999	33,180
Equity instruments	(291)	1,276
Debt instruments	(17,451)	(24,674)
Hybrid instruments	(353)	-
	$ 651,699	$ 235,377

B. The non-hedging derivative financial assets and liabilities and contract information are as follows:

	December 31, 2024		
Derivative financial assets	Contract amount (Notional principal) (In thousands)		Contract period
Current items:			
Forward foreign exchange contracts	USD (BUY)	287,866	2024.12.27~2025.2.20
Derivative financial liabilities			
Current items:			
Forward foreign exchange contracts	USD (BUY)	51,939	2024.12.27~2025.2.20

	December 31, 2023		
Derivative financial assets	Contract amount (Notional principal) (In thousands)		Contract period
Current items:			
Forward foreign exchange contracts	USD (BUY)	5,000	2023.12.27~2024.2.29
Derivative financial liabilities			
Current items:			
Forward foreign exchange contracts	USD (BUY)	235,000	2023.11.28~2024.2.29

The Group entered into forward foreign exchange contracts to buy USD to hedge exchange rate risk of foreign currency. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

C. For the derivative transactions, the Group deals with a variety of financial institutions all with high credit quality, so it expects that the probability of counterparty default is remote.

D. The Group has no financial assets measured at fair value through profit or loss pledged to others.

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

Items	December 31, 2024	December 31, 2023
Current items:		
Equity instruments	$ 367,589	$ 1,106,224
Non-current items:		
Equity instruments	$ 11,662,725	$ 18,833,048

A. The Group has elected to classify certain strategic investments in the aforementioned equity instruments, including publicly listed and privately held companies, as financial assets measured at fair value through other comprehensive income.

B. The Group sold $8,556,585 and $462,219 of listed shares at fair value to satisfy its operating capital needs which resulted in a cumulative gain on disposal of $4,744,793 and $59,113 (accounted under unappropriated retained earnings) during the years ended December 31, 2024 and 2023, respectively.

C. Refer to Note 6(21) for information on changes in fair value recognised in other comprehensive income for the years ended December 31, 2024 and 2023.

D. The Group has no financial assets measured at fair value through other comprehensive income pledged to others as of December 31, 2024 and 2023.

(4) Notes and accounts receivable

	December 31, 2024	December 31, 2023
Notes receivable	$ 2,064,637	$ 3,730,509
Accounts receivable	140,291,069	108,078,551
Less: Allowance for uncollectible accounts	(261,598)	(172,410)
Notes and accounts receivable, net	142,094,108	111,636,650
Overdue receivables	444,849	564,514
Less: Allowance for uncollectible accounts	(444,849)	(564,514)
	$ 142,094,108	$ 111,636,650

A. As of December 31, 2024 and 2023, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2023, the balance of accounts receivable and notes receivable amounted to $85,292,995.

B. Transferred financial assets that are derecognised in their entirety

(a) As of December 31, 2024 and 2023, the Group had outstanding discounted notes receivable amounting to $3,747,629 and $2,392,015, respectively. However, as the notes receivable are bank's acceptance bills and are discounted without right of recourse, those discounted notes receivable were deducted directly from notes receivable.

(b) The Group entered into factoring agreements with domestic financial institutions to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognised the transferred accounts receivable, and the related information is as follows:

	December 31, 2024	December 31, 2023
Accounts receivable transferred (Amount derecognised)	$ 60,151,762	$ 12,529,507
Amount advanced	$ 58,804,152	$ 9,818,349
Amount retained (shown as 'other receivables')	$ 1,347,610	$ 2,711,158

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

C. Transferred financial assets that are not derecognised in their entirety

(a) The Group entered into factoring agreements with domestic financial institutions to sell its accounts receivable. Under the agreement, the Group can transfer non-L/C accounts receivable financing to financial institutions, and the banks have the right of recourse to the transferred accounts receivable. For accounts receivable that will not be recovered in the specific period, the Group will retain risk and returns of such accounts receivable. Accordingly, the Group did not derecognise the accounts receivable where the banks have the right of recourse, and related advance payments were listed in 'short-term borrowings.'

(b) On December 31, 2024 and 2023, the Group has no accounts receivable for sales and advance payments.

D. As of December 31, 2024 and 2023, the interest rates for amounts advanced ranged between 1.85%~6.058% and 1.60%~6.66%, respectively.

E. As of December 31, 2024 and 2023, the total limits of the accounts receivable factoring were $136,467,204 and $115,340,462, respectively.

F. As of December 31, 2024 and 2023, the Group has issued a promissory note of $197,633,122 and $185,399,231, respectively, as performance guarantee against any business dispute.

G. Refer to Note 6(27) for information on financing charges on accounts receivable factoring for the years ended December 31, 2024 and 2023.

H. As of December 31, 2024 and 2023, the Group's accounts receivable that are expected to be factored were classified as financial assets at fair value through other comprehensive income in the amounts of $28,411,490 and $67,187,035, respectively, and recorded as 'accounts receivable.'

I. The Group took out a credit insurance on the accounts receivable from certain main customers, whereby 80%~90% of the receivable amount can be covered when the receivables are uncollectible. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable was the carrying amount of the notes and accounts receivable.

J. The Group has no accounts receivable pledged to others.

K. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(5) Other receivables

	December 31, 2024	December 31, 2023
VAT refund receivable	$ 3,421,695	$ 2,653,616
Amounts retained for accounts receivable factoring	1,347,610	2,711,158
Input tax	496,876	27,054
Customs duties refund receivable	427,372	-
Others	262,932	159,129
	$ 5,956,485	$ 5,550,957

(6) Inventories

	December 31, 2024	December 31, 2023
Merchandise inventory	$ 162,563,495	$ 97,263,203
Less: Allowance for inventory obsolescence and market value decline	(1,635,621)	(1,547,706)
	$ 160,927,874	$ 95,715,497

The cost recognised as expense for the year:

	Years ended December 31,	
	2024	2023
Cost of inventories sold	$ 921,401,726	$ 575,614,106
Services cost	385,833	376,343
Loss on decline in market value	42,963	121,642
Loss on disposal of inventory	514	-
(Gain) loss on physical inventory	(1,209)	458
	$ 921,829,827	$ 576,112,549

(7) Investments accounted for using equity method

	2024	2023
At January 1	$ 44,539	$ 62,955
Changes in capital surplus	5,549	-
Share of loss of investments accounted for using equity method	(22,314)	(18,560)
Changes in other equity items	3,838	144
At December 31	$ 31,612	$ 44,539

A. JCD OPTICAL (CAYMAN)., LTD. increased its capital amounting to $50,125 in February 2024. The Group did not acquire shares proportionally to its interest. As a result, the shareholder ratio changed to 16.94% and capital surplus increased by $5,549.

B. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarised below:

	Years ended December 31,	
	2024	2023
Loss for the year from continuing operations	($ 22,314)	($ 18,560)
Other comprehensive income (loss), net of tax	1,192	(116)
Total comprehensive loss	($ 21,122)	($ 18,676)

(8) Property, plant and equipment

	Land	Buildings	Office equipment	Others	Total
At January 1, 2024					
Cost	$ 163,048	$ 840,435	$ 777,534	$ 764,443	$ 2,545,460
Accumulated depreciation and impairment	-	(134,188)	(567,587)	(581,155)	(1,282,930)
	$ 163,048	$ 706,247	$ 209,947	$ 183,288	$ 1,262,530
2024					
Opening net book amount	$ 163,048	$ 706,247	$ 209,947	$ 183,288	$ 1,262,530
Acquired from business combinations	284,878	1,179,486	433,841	225,971	2,124,176
Additions	1,382	-	157,072	97,674	256,128
Disposals	-	-	(5,003)	(45,906)	(50,909)
Reclassifications	-	(37,326)	6,742	(72,966)	(103,550)
Depreciation charge	-	(61,421)	(207,365)	(99,875)	(368,661)
Net exchange differences	35,564	31,592	4,877	(225)	71,808
Closing net book amount	$ 484,872	$ 1,818,578	$ 600,111	$ 287,961	$ 3,191,522
At December 31, 2024					
Cost	$ 484,872	$ 2,547,206	$ 6,000,969	$ 1,813,430	$10,846,477
Accumulated depreciation and impairment	-	(728,628)	(5,400,858)	(1,525,469)	(7,654,955)
	$ 484,872	$ 1,818,578	$ 600,111	$ 287,961	$ 3,191,522

	Land	Buildings	Office equipment	Others	Total
At January 1, 2023					
Cost	$ 163,048	$ 588,709	$ 685,819	$ 743,025	$ 2,180,601
Accumulated depreciation and impairment	-	(119,154)	(561,409)	(525,967)	(1,206,530)
	$ 163,048	$ 469,555	$ 124,410	$ 217,058	$ 974,071
2023					
Opening net book amount	$ 163,048	$ 469,555	$ 124,410	$ 217,058	$ 974,071
Acquired from business combinations	-	-	1,431	5,160	6,591
Additions	-	286,057	118,845	47,815	452,717
Disposals	-	-	(5,604)	(782)	(6,386)
Reclassifications	-	-	17,595	(17,595)	-
Depreciation charge	-	(16,101)	(62,280)	(74,965)	(153,346)
Net exchange differences	-	(33,264)	15,550	6,597	(11,117)
Closing net book amount	$ 163,048	$ 706,247	$ 209,947	$ 183,288	$ 1,262,530
At December 31, 2023					
Cost	$ 163,048	$ 840,435	$ 777,534	$ 764,443	$ 2,545,460
Accumulated depreciation and impairment	-	(134,188)	(567,587)	(581,155)	(1,282,930)
	$ 163,048	$ 706,247	$ 209,947	$ 183,288	$ 1,262,530

A. Office and other equipment at December 31, 2024 and 2023 were for the Group's own use and not for lease.

B. Regarding the property, plant and equipment arising from the Group's business combination for the years ended December 31, 2024 and 2023, refer to Note 6(32) for details.

(9) Leasing arrangements - lessee

A. The Group leases various assets including land, office and warehouse. Except for right-of-use of land for periods of 20 to 50 years, the rental contracts are typically made for periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of twelve months or less comprise certain offices, business vehicles, parking space and printers.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2024	December 31, 2023
	Carrying amount	Carrying amount
Land	$ 357,096	$ 352,269
Buildings and structures	1,898,780	677,984
	$ 2,255,876	$ 1,030,253

	Years ended December 31,	
	2024	2023
	Depreciation charge	Depreciation charge
Land	$ 7,856	$ 7,104
Buildings and structures	667,834	284,669
	$ 675,690	$ 291,773

D. For the years ended December 31, 2024 and 2023, the additions to right-of-use assets were $515,992 and $447,656, respectively. Regarding the right-of-use assets arising from the Group's business combination for the year ended December 31, 2024, refer to Note 6(32) for details.

E. The information on income or expense accounts relating to lease contracts is as follows:

	Years ended December 31,	
	2024	2023
Items affecting profit or loss		
Interest expense on lease liabilities	$ 67,760	$ 29,291
Expense on short-term lease contracts	281,186	171,718

F. For the years ended December 31, 2024 and 2023, the Group's total cash outflow for leases were $1,005,873 and $480,384, respectively.

(10) Investment property

	Land	Buildings	Total
At January 1, 2024			
Cost	$ 147,148	$ 106,068	$ 253,216
Accumulated depreciation and impairment	(1,897)	(61,001)	(62,898)
	$ 145,251	$ 45,067	$ 190,318
2024			
Opening net book amount	$ 145,251	$ 45,067	$ 190,318
Depreciation charge	-	(3,369)	(3,369)
Closing net book amount	$ 145,251	$ 41,698	$ 186,949
At December 31, 2024			
Cost	$ 147,148	$ 106,068	$ 253,216
Accumulated depreciation and impairment	(1,897)	(64,370)	(66,267)
	$ 145,251	$ 41,698	$ 186,949

	Land	Buildings	Total
At January 1, 2023			
Cost	$ 147,148	$ 106,068	$ 253,216
Accumulated depreciation and impairment	(1,897)	(57,633)	(59,530)
	$ 145,251	$ 48,435	$ 193,686
2023			
Opening net book amount	$ 145,251	$ 48,435	$ 193,686
Depreciation charge	-	(3,368)	(3,368)
Closing net book amount	$ 145,251	$ 45,067	$ 190,318
At December 31, 2023			
Cost	$ 147,148	$ 106,068	$ 253,216
Accumulated depreciation and impairment	(1,897)	(61,001)	(62,898)
	$ 145,251	$ 45,067	$ 190,318

A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	Years ended December 31,	
	2024	2023
Rental income from the lease of the investment property	$ 25,404	$ 26,728
Direct operating expenses arising from the investment property that generated rental income during the year	$ 3,369	$ 3,368

B. The fair values of the investment property held by the Group as at December 31, 2024 and 2023 were $768,394 and $732,243, respectively, which were based on the valuation of market prices estimated using comparison approach and is categorised within Level 3 in the fair value hierarchy.

(11) Intangible assets

	Goodwill	Software	Customer relationship	Total
At January 1, 2024				
Cost	$ 3,008,793	$ 173,941	$ 692,869	$ 3,875,603
Accumulated amortisation and impairment	(228,202)	(142,996)	(164,770)	(535,968)
	$ 2,780,591	$ 30,945	$ 528,099	$ 3,339,635
2024				
Opening net book amount	$ 2,780,591	$ 30,945	$ 528,099	$ 3,339,635
Acquired from business combinations	28,611,359	-	8,073,255	36,684,614
Additions	-	70,096	-	70,096
Reclassifications	-	104,414	-	104,414
Amortisation charge (shown as 'general and administrative expenses')	-	(34,071)	(325,121)	(359,192)
Net exchange differences	808,436	2,573	196,529	1,007,538
Closing net book amount	$ 32,200,386	$ 173,957	$ 8,472,762	$ 40,847,105
At December 31, 2024				
Cost	$ 32,428,594	$ 1,469,403	$ 8,968,212	$ 42,866,209
Accumulated amortisation and impairment	(228,208)	(1,295,446)	(495,450)	(2,019,104)
	$ 32,200,386	$ 173,957	$ 8,472,762	$ 40,847,105

	Goodwill	Software	Customer relationship	Total
At January 1, 2023				
Cost	$ 3,008,857	$ 151,583	$ 640,149	$ 3,800,589
Accumulated amortisation and impairment	(227,968)	(130,443)	(70,666)	(429,077)
	$ 2,780,889	$ 21,140	$ 569,483	$ 3,371,512
2023				
Opening net book amount	$ 2,780,889	$ 21,140	$ 569,483	$ 3,371,512
Additions	-	24,930	-	24,930
Acquired from business combinations	-	-	50,868	50,868
Amortisation charge (shown as 'general and administrative expenses')	-	(15,122)	(92,092)	(107,214)
Net exchange differences	(298)	(3)	(160)	(461)
Closing net book amount	$ 2,780,591	$ 30,945	$ 528,099	$ 3,339,635
At December 31, 2023				
Cost	$ 3,008,793	$ 173,941	$ 692,869	$ 3,875,603
Accumulated amortisation and impairment	(228,202)	(142,996)	(164,770)	(535,968)
	$ 2,780,591	$ 30,945	$ 528,099	$ 3,339,635

A. Regarding the intangible assets arising from the Group's business combination for the years ended December 31, 2024 and 2023, refer to Note 6(32) for details.

B. Goodwill is allocated to the Group's cash-generating units identified according to operating segment as follows:

	December 31, 2024	December 31, 2023
Canada	$ 29,299,473	$ -
Greater China Region	1,202,104	1,187,384
All other segments	1,698,809	1,593,207
	$ 32,200,386	$ 2,780,591

C. Goodwill is allocated to the Group's cash-generating units identified according to operating segment. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management covering a five-year period.

The future cash flows were estimated based on the annual revenue, gross profit and other operating expenses in the future. Management determined budgeted gross profit based on past performance and their expectations of market development. The Group's accrued average annual revenue growth rate for the years ended December 31, 2024 and 2023 were 0%~6.96% and 0%~5%, respectively; the assumption used for discount rate is the weighted average capital cost of the Group. As of December 31, 2024 and 2023, the key valuations used for pre-tax discount rate to reflect risk of related cash-generating units were 4.93%~8.53% and 5.71%~9.18%, respectively. Based on the aforementioned assessment, no impairment loss on goodwill was

recognised for the years ended December 31, 2024 and 2023.

D. There were no intangible assets that were pledged to others.

(12) Short-term borrowings

	December 31, 2024	December 31, 2023
Credit loans	$ 35,412,779	$ 19,821,848
Interest rates per annum	1.87%~5.03%	1.70%~6.424%

(13) Short-term notes and bills payable

	December 31, 2024	December 31, 2023
Commercial paper	$ 1,600,000	$ 350,000
Amortisation of discount	(1,032)	(152)
	$ 1,598,968	$ 349,848
Coupon rate	1.66%~1.91%	1.35%~1.40%

The notes and bills were issued under securities and acceptance offered by the financial institutions to fund short-term capital. The issuance period is within 90 days.

(14) Other payables

	December 31, 2024	December 31, 2023
Salaries and bonuses payable	$ 3,398,715	$ 1,441,687
Accrued VAT payable	3,109,010	2,430,469
Freight payable	293,444	141,041
Insurance expense payable	257,042	117,707
Services payable	191,672	858,100
Finance costs payable	136,888	150,998
Technical service fees payable	32,614	86,263
Others	1,590,085	754,174
	$ 9,009,470	$ 5,980,439

(15) Long-term loans

Type of loans	Period	December 31, 2024 Credit line	Interest rate	Amount
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	$ 30,000,000	2.7442%	$ 9,754,066
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	30,000,000	2.7398%	9,754,067
Mid-term syndicated loans (note A)	2022.6.27 ~2027.6.27	24,000,000	2.2914%	13,000,000
Mid-term syndicated loans (note A)	2021.7.29 ~2026.7.29	12,000,000	2.2929% ~2.2936%	10,000,000
Mid-term syndicated loans (note C)	2023.8.25 ~2028.8.25	20,000,000	2.2548%	19,440,000
Mid-term borrowings (Export-Import Bank of the Republic of China)	2023.4.24 ~2028.4.24	400,000	2.1862%	400,000
Mid-term borrowings (KGI Bank)	2024.12.5 ~2027.12.3	1,000,000	2.0363%	1,000,000
Mid-term borrowings (United Overseas Bank)	2020.4.28 ~2025.4.27	96,520	2%	8,337
Mid-term borrowings (United Overseas Bank)	2021.3.17 ~2026.3.16	120,650	2%	38,720
Mid-term borrowings (DBS Bank Ltd.)	2020.6.24 ~2025.6.23	24,130	2%	3,120
Mid-term borrowings (United Overseas Bank)	2021.4.5 ~2026.4.4	120,650	2%	41,298
				63,439,608
Less: Long-term loans, current portion				(73,218)
				$ 63,366,390

Type of loans	Period	December 31, 2023 Credit line	Interest rate	Amount
Mid-term syndicated loans (note A)	2021.7.29 ~2026.7.29	$ 12,000,000	2.093% ~6.7865%	$ 7,655,750
Mid-term syndicated loans (note A)	2022.6.27 ~2027.6.27	24,000,000	2.0930%	4,500,000
Mid-term borrowings (Export-Import Bank of the Republic of China)	2023.4.24 ~2028.4.24	400,000	2.023%	400,000
Mid-term borrowings (United Overseas Bank)	2020.4.28 ~2025.4.27	93,160	2%	31,943
Mid-term borrowings (United Overseas Bank)	2020.5.27 ~2025.5.26	116,450	2%	66,777
Mid-term borrowings (DBS Bank Ltd.)	2020.6.24 ~2025.6.23	23,290	2%	8,969
Mid-term borrowings (United Overseas Bank)	2021.4.5 ~2026.4.4	116,450	2%	69,185
				12,732,624
Less: Long-term loans, current portion				(88,382)
				$ 12,644,242

A. On April 27, 2021 and May 9, 2022, the Group's Board of Directors resolved to sign syndicated loan agreements with a financial institution amounting to NT$12 billion and NT$24 billion, respectively. As stipulated in the syndicated loan agreements:
   (a) Credit period: 5 years after the date of first drawdown of any credit line.
   (b) Drawdown period: The day before 5 years after the date of first drawdown. However, maturity date of each borrowing shall not exceed the credit period. The borrower may apply for re-utilisation within the credit period 5 years after the date of first drawdown according to the capital situation. However, each drawdown must be fully repaid before the expiry of the credit period.
   (c) Financial commitment: The borrower's consolidated financial statements shall maintain the following financial ratios and regulations:
      i. Liquidity ratio: Shall be at least 100%.
      ii. Net debt ratio: Shall be no more than 250%.
      iii. Interest coverage ratio shall be at least 200%.
      The abovementioned financial ratios are reviewed semi-annually.

B. On January 31, 2024, the Group's Board of Directors resolved to sign a syndicated loan agreement with a financial institution amounting to NT$60 billion to support the acquisition of 100% equity interest in FUTURE ELECTRONICS INC. As stipulated in the syndicated loan agreement:
   (a) Credit item and facility: The total credit facility is NT$60 billion.

(b) Credit period: 5 years after the date of first drawdown.

(c) Drawdown period: 5 years after the date of first drawdown. Maturity date of each borrowing shall not exceed the credit period.

(d) Financial commitments:

i. The borrower's consolidated financial statements shall maintain the following financial ratios and regulations:

(i) Liquidity ratio: Shall be at least 100%.

(ii) Net debt ratio: Shall not be higher than 500% starting from the year ending December 31, 2024 and shall not be adjusted higher than 400% starting from the year ending December 31, 2026.

(iii) Interest coverage ratio shall be at least 200%.

The abovementioned financial ratios are reviewed semi-annually.

ii. The financial statements of FUTURE ELECTRONICS INC. shall maintain the following financial ratios and regulations, which shall be applicable from the report for the year beginning January 1, 2024:

(i) Liquidity ratio: Shall be at least 100%.

(ii) Debt ratio: Shall not be more than 100%.

(iii) Interest coverage ratio shall be at least 200%.

(iv) Net assets shall be at least US$2.4 billion.

The abovementioned financial ratios are reviewed annually.

(e) Collateral:

The Group pledged 100% stocks of FUTURE ELECTRONICS INC. as the collateral.

C. On August 2, 2023, the Group's Board of Directors resolved to sign a syndicated loan agreement with a financial institution amounting to NT$20 billion. As stipulated in the syndicated loan agreement:

(a) Credit period: 5 years after the date of first drawdown.

(b) Drawdown period: The day before 5 years after the date of first drawdown. However, maturity date of each borrowing shall not exceed the credit period of each drawdown. The borrower may apply for re-utilisation from the date of first drawdown for 5 years according to the capital situation. However, each drawdown must be fully repaid before the expiry of the credit period.

(c) Financial commitments: The borrower's consolidated financial statements shall maintain the following financial ratios and regulations:

(i) Liquidity ratio: Shall be at least 100%.

(ii) Net debt ratio: Shall be no more than 280%.

(iii) Interest coverage ratio shall be at least 200%.

The abovementioned financial ratios are reviewed semi-annually.

D. The Group's financial ratios in the consolidated financial statements for the years ended

December 31, 2024 and 2023 have met the required covenants under the abovementioned borrowing contract.

E. The Group's liquidity risk is provided in Note 12.

(16) Pensions

A. Defined benefit pension plan

(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Group would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Group will make contributions for the deficit by next March.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	$ 211,891	$ 223,995
Fair value of plan assets	(179,146)	(165,099)
Net defined benefit liability	$ 32,745	$ 58,896
Shown as 'other non-current assets'	$ 10,097	$ 7,806
Shown as 'other non-current liabilities'	$ 42,842	$ 66,702

(c) Movements in net defined benefit liabilities (assets) are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2024			
Balance at January 1	$ 223,995	$ 165,099	$ 58,896
Current service cost	891	-	891
Interest (expense) income	2,708	2,001	707
	227,594	167,100	60,494
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	14,502	(14,502)
Change in financial assumptions	(5,830)	-	(5,830)
Experience adjustments	(3,087)	-	(3,087)
	(8,917)	14,502	(23,419)
Pension fund contribution	-	4,330	(4,330)
Paid pension	(6,786)	(6,786)	-
Balance at December 31	$ 211,891	$ 179,146	$ 32,745

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2023			
Balance at January 1	$ 219,430	$ 160,589	$ 58,841
Current service cost	1,624	-	1,624
Interest (expense) income	2,892	2,122	770
	223,946	162,711	61,235
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	594	(594)
Change in financial assumptions	1,918	-	1,918
Experience adjustments	791	-	791
	2,709	594	2,115
Pension fund contribution	-	4,454	(4,454)
Paid pension	(2,660)	(2,660)	-
Balance at December 31	$ 223,995	$ 165,099	$ 58,896

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being approved by the Regulator. The Company and domestic subsidiaries have no right to participate in managing and operating that fund, hence, the Company and domestic subsidiaries are unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2024 and 2023 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Years ended December 31,	
	2024	2023
Discount rate	1.6%	1.2%~1.3%
Future salary increases	3%	3%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2024				
Effect on present value of defined benefit obligation	($ 3,627)	$ 3,725	$ 3,143	($ 3,080)
December 31, 2023				
Effect on present value of defined benefit obligation	($ 4,286)	$ 4,410	$ 3,769	($ 3,688)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not

change compared to the previous period.

(f) Expected contributions to the defined benefit pension plan of the Group for the year ending December 31, 2025 amount to $4,278.

(g) As of December 31, 2024, the weighted average duration of the retirement plan is 7 ~ 11 years.

B. Defined contribution pension plan

(a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The Company's subsidiaries in Mainland China have a defined contribution plan in accordance with the pension regulations in the People's Republic of China (PRC). These companies contribute monthly an amount based on 14%~16% of the employees' monthly salaries based on the employees' domiciles to their independent funds administered by the government. For the subsidiaries in Hong Kong, these companies and its employees each contribute monthly an amount equal to 5% of the employees' monthly salaries pursuant to the legislation in Hong Kong. Each fund is managed by the government. Except for the monthly contribution, these companies have no other obligation.

(c) The pension costs under the defined contribution pension plans of the Group for the years ended December 31, 2024 and 2023 were $480,973 and $463,340, respectively.

(17) Share-based payment

A. For the years ended December 31, 2024 and 2023, the Group's share-based payment arrangements are as follows:

Type of arrangement	Grant date	Quantity granted	Vesting conditions
Restricted stocks to employees	2021.1.13	2,992 thousand shares	(a) and (b)
Employee stock options	2021.3.18	12,000 thousand shares	(c)
Restricted stocks to employees	2021.7.28	2,788 thousand shares	(a) and (b)
Employee stock options	2022.1.6	18,854 thousand shares	(c)
Cash capital increase by issuing common stock reserved for employee preemption	2023.11.15 ~2023.11.17	6,511 thousand shares	Vested immediately
Employee stock options	2024.10.23	22,849 thousand shares	(d)

(a) The vesting percentage for the employee who has rendered service to the Company since the grant date and achieves the performance condition is 25% each year.

(b) The issued employee restricted shares before meeting the vesting conditions are subject to

certain restrictions as follows:

i. Employee restricted shares cannot be sold, pledged, transferred, donated to others, set purposes or disposed in any other ways, except for inheritance.

ii. The rights to attend, propose, speak and vote at the shareholders meeting are the same as the issued common stock of the Company and are implemented in accordance with the trust custody contract.

iii. Other rights including but not limited to dividends, distribution rights of legal reserve and capital surplus and share options of cash capital increase, etc. are the same as the Company's issued common stock, do not need to be kept in trust and are not restricted by the vesting period. Employees are required to return the unvested stocks but not required to return the dividends received if they resign during the vesting period.

(c) Employees can exercise 50%, 25% and 25% of their option after 2 years, 3 years and 4 years from the grant date of employee stock options, respectively.

(d) Employees can exercise 30%, 30% and 40% of their option after 2 years, 3 years and 4 years from the grant date of employee stock options, respectively.

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

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility (%)	Expected option life (years)	Expected dividends	Risk-free interest rate (%)	Fair value per unit (in dollars)
Restricted stocks to employees	2021.1.13	$ 42.05	$ -	-	4	-	-	$ 42.05
Employee stock options	2021.3.18	$ 46.80	$ 46.80	18.44~18.46	4~5	-	0.31~0.34	$ 7.0985~$ 8.1307
Restricted stocks to employees	2021.7.28	$ 61.20	$ -	-	4	-	-	$ 58.0011
Employee stock options	2022.1.6	$ 75.40	$ 75.40	21.06~22.66	3.5~4.5	-	0.55~0.62	$ 13.2673~$ 14.2005
Cash capital increase by issuing common stock reserved for employee preemption	2023.11.15 ~2023.11.17	$ 114.00~$ 124.50	$ 95.00	-	-	-	-	$ 19.00~$ 29.50
Employee stock options	2024.10.23	$ 115.50	$115.50	34.85~36.43	4~5	-	1.42~1.44	$35.2252~$37.9548

C. Details of the stock options for the years ended December 31, 2024 and 2023 are disclosed as follows:

	2024		
	No. of options (in thousands)	Weighted-average exercise price (in dollars)	Weighted-average remaining contractual period
Options outstanding at January 1	24,927	$ 57.77	
Options granted	22,849	115.50	
Options exercised	(9,262)	55.56	
Options forfeited	(274)	60.55	
Options outstanding at December 31	38,240	91.27	4.3 years
Options exercisable at December 31	3,802		

	2023		
	No. of options (in thousands)	Weighted-average exercise price (in dollars)	Weighted-average remaining contractual period
Options outstanding at January 1	30,148	$ 58.58	
Options exercised	(4,550)	40.43	
Options forfeited	(671)	62.00	
Options outstanding at December 31	24,927	57.77	3.07 years
Options exercisable at December 31	1,295		

D. The weighted-average stock price of stock options were $142.30 and $76.06 (in dollars) for the years ended December 31, 2024 and 2023, respectively.

E. Details of the employee restricted shares for the years ended December 31, 2024 and 2023 are disclosed as follows:

	2024	2023
	No. of shares (in thousands)	No. of shares (in thousands)
Shares outstanding at January 1	2,638	4,090
Shares redeemed at beginning of year but not yet forfeited	14	29
Shares vested	(1,298)	(1,342)
Shares forfeited	(64)	(125)
Shares redeemed, not yet forfeited	(7)	(14)
Shares outstanding at December 31	1,283	2,638

F. Compensation cost of share-based payment of $119,757 and $297,110 were recognised for the years ended December 31, 2024 and 2023, respectively.

(18) Share capital

As of December 31, 2024, the Company's authorised capital was $20,000,000, including partial preferred stocks, consisting of 2 billion shares (including 300 million shares reserved for employee stock options), and the paid-in capital was $12,514,167 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Common stock

A. Movements in the number of the Company's common stock (including certificate of entitlement to new shares from convertible bonds) outstanding are as follows:

	2024	2023
	Shares (in thousands)	Shares (in thousands)
At January 1	887,955	883,530
Capital injection	220,000	-
Employee stock options exercised	9,262	4,550
Cancellation of employee restricted shares	(64)	(125)
At December 31	1,117,153	887,955

B. For the years ended December 31, 2024 and 2023, employees of the Company exercised employee stock options, which had been converted into 9,262 thousand and 4,550 thousand common stocks, respectively. There are still 737 thousand and 654 thousand common stocks that were recorded under 'certificate of entitlement to new shares from convertible bonds' because the change in registration has not yet been completed as of December 31, 2024 and 2023, respectively.

C. For the years ended December 31, 2024 and 2023, the Company has retrieved 64 thousand and 125 thousand of employee restricted shares, respectively, for not satisfying vesting conditions, and the Company cancelled and retired the shares in accordance with the regulations.

D. On September 28, 2023, the Board of Directors resolved to increase the Company's capital by issuing 135 million new shares with a par value of $10 (in dollars) per share issued at NT$95 (in dollars) per share. The Company received $7,396,604 for the three months ended March 31, 2024 and $5,423,396 for the year ended December 31, 2023, respectively, from the issuance of shares. The effective date of the capital increase was set on January 9, 2024 and the registration has been completed.

Global depositary receipts

A. On February 29, 2024, the Company's Board of Directors resolved to increase capital by issuing common stock to participate in the issuance of the global depositary receipts to support the capital requirement for the purchases of materials in foreign currency. The capital increase was approved by the Financial Supervisory Committee on March 26, 2024 and 17,000 thousand units of global depositary receipts were issued at the Luxembourg Stock Exchange on April 12, 2024 at a price

of US$20.08 (in dollars) per unit. The global depositary receipts represented 85,000 thousand shares of the Company's common stock. The amount after deducting issuance cost was US$337,497 thousand (NT$10,850,853 thousand). Each unit of the global depositary receipts represents 5 shares of the Company's common stocks.

Preferred stock

On July 2, 2020, the Board of Directors resolved to increase the Company's capital in the amount of $6,750,000 by issuing 135 million shares of Class A preferred stocks with a par value of $10 (in dollars) per share issued at $50 (in dollars) per share. The capital injection was approved by the Financial Supervisory Commission on July 29, 2020, and the effective date was set on October 15, 2020. The rights and obligations of these outstanding preferred stocks are as follows:

A. Expiration date: The Company's Class A preferred stocks are perpetual. The shareholders of Class A preferred stocks cannot request the Company to retire the preferred stocks they hold but all or certain parts are callable at any time from the next day of five years after issuance at the actual issue price. The outstanding Class A preferred stocks sustained all the rights and obligations specified in the issuance terms. Dividends payable as of the redemption date shall be calculated based on the actual outstanding days if the Board of Directors resolved to distribute the current year's dividends.

B. Dividends: Dividends are calculated at 4% per annum, consisting of five-year IRS rate of 0.6125% on pricing effective date (August 17, 2020) and specific markup of 3.3875%, based on the issue price per share. The five-year IRS rate will be reset on the next business day of five years since issuance and every subsequent five years and the pricing effective date for rate reset is two business days in Taipei financial industry prior to the IRS rate reset date. The rate index, five-year IRS rate, is the arithmetic mean of five-year IRS rates appearing on Refinitiv pages "PYTWDFIX" and "COSMOS3" at 11:00 a.m. (Taipei time) on the relevant pricing effective date of rate reset. If such rate cannot be obtained, the Company will determine the rate based on the reasonable market price with good faith.

C. Dividend distribution: Dividends of Class A preferred stocks are distributed once per year in the form of cash. The effective date for distributing previous year's distributable dividends will be set by the Board of Directors or the chairman who is authorised by the Board of Directors. Dividend distributions in the years of issuance and redemption are calculated based on the actual outstanding days. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating deficit and then set aside as legal reserve. Special reserve shall be set aside or reversed as required by regulations or the Competent Authority when necessary. The remainder, if any in the current year, can be distributed as dividends of preferred stocks in first priority.

   The Company has discretion in dividend distribution of Class A preferred stocks. The Company could choose not to distribute dividends of preferred stocks when resolved by the Board of Directors, which would not lead to default if the Company has no or has insufficient current

year's earnings for distribution or has other considerations. In addition, the amounts of undistributed dividends or insufficient distributed dividends will not be deferred to future years when the Company has earnings.

D. Excess dividend distribution: Besides the aforementioned dividends, the shareholders of Class A preferred stocks could not participate in the distribution of cash and capitalised assets for common shares derived from earnings and capital surplus.

E. Residual property distribution: The shareholders of Class A preferred stocks have priority over shareholders of common stocks in distributing the Company's residual properties and have the same priority with other preferred stockholders of the Company, but behind the general creditor. In addition, the limit is the amount calculated by shares of outstanding preferred stocks issued and the issue price when distributing.

F. Right to vote and be elected: The shareholders of Class A preferred stocks have no right to vote and be elected as directors in the common stock holders' meeting of the Company but have the right to vote in the shareholders' meeting only when there are unfavourable matters to rights and obligations of shareholders of Class A preferred stocks.

G. Conversion to common shares: Class A preferred stocks could not be converted to common shares.

H. The preemptive rights for shareholders of Class A preferred stocks are the same as of common shareholders when the Company increases its capital by issuing new shares.

I. Capital surplus arising from premium issuance of Class A preferred stocks can be used to offset against accumulated deficit but cannot be capitalised during the issuance period.

(19) Capital surplus

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

	2024				
	Share premium	Employee stock options	Restricted stocks to employees	Net change in equity of associates and subsidiaries	Total
At January 1	$ 25,192,149	$ 372,240	$ 104,875	$ 11,410	$ 25,680,674
Capital injection	21,470,853	-	-	-	21,470,853
Vesting of employee restricted shares	51,538	-	(51,538)	-	-
Cancellation of employee restricted shares	-	-	640	-	640
Changes in ownership interests in subsidiaries	-	-	-	(2,191)	(2,191)
Changes in restricted stocks to employees	-	-	(2,947)	-	(2,947)
Employee stock options exercised	667,057	(245,035)	-	-	422,022
Compensation cost of share-based payments	-	98,884	-	-	98,884
Change in equity of associates accounted for using equity method	-	-	-	5,549	5,549
At December 31	$ 47,381,597	$ 226,089	$ 51,030	$ 14,768	$ 47,673,484

	2023				
	Share premium	Employee stock options	Restricted stocks to employees	Net change in equity of associates and subsidiaries	Total
At January 1	$ 24,968,223	$ 154,122	$ 160,354	$ 11,410	$ 25,294,109
Vesting of employee restricted shares	53,188	-	(53,188)	-	-
Cancellation of employee restricted shares	-	-	1,240	-	1,240
Changes in restricted stocks to employees	-	-	(3,531)	-	(3,531)
Employee stock options exercised	170,738	(32,297)	-	-	138,441
Compensation cost of share-based payments	-	250,415	-	-	250,415
At December 31	$ 25,192,149	$ 372,240	$ 104,875	$ 11,410	$ 25,680,674

(20) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay taxes and offset accumulated losses; and set aside a legal reserve at 10% of such remaining earnings, until the accumulated legal reserve has equaled the total paid-in capital of the Company; then, set aside a special reserve in accordance with applicable laws or regulations of the competent authority. Residual earnings (distributable earnings in the current year) plus

undistributed earnings at the beginning of the period is the accumulated retained earnings, which shall first be distributed as dividends to holders of Preferred Stocks, and distribution of such earnings shall submitted by the Board of Directors to the shareholders' meeting for approval.

B. In accordance with Article 240 of the Company Act, the Board of Directors is authorised, upon resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, to distribute dividends and bonus of all or part of the legal reserve and capital surplus in the form of cash based on the regulations specified in Article 241 of the Company Act which shall be reported to the shareholders during their meeting. Said distribution is not subject to the regulation which requires that the distribution shall be resolved by the shareholders during their meeting.

C. The Company's dividend policy is regulated by the Board of Directors taking into consideration the Company's operations, future investment plans, capital budget and internal/external situations. As the Company is in the growth stage, most of retained earnings will be used to support business development and investment requirements and consequently, the minimum cash dividend and extra dividend policy is adopted by the Company. The Company's dividend policy is summarised below:

   At least 40% of the Company's earnings shall be appropriated as stock dividends and cash dividends, taking into account profits in the future and capital needs, and cash dividends shall account for at least 10% of the total dividends distributed. In the event the total earnings appropriation exceeds 30% of the Company's paid-in capital before appropriation, cash dividends shall account for at least 20% of the total dividends distributed.

D. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

E. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

F. According to the resolutions adopted by the shareholders during their meetings in May 2024 and May 2023, the distribution information of the Company's 2023 and 2022 earnings, respectively, is as follows:

	Years ended December 31,			
	2023		2022	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 406,786		$ 768,307	
Special reserve	(1,564,387)		1,564,387	
Dividends on preferred stock	270,000	$ 2.000	270,000	$ 2.000
Cash dividends of common stockholders	2,008,438	1.800	3,812,065	4.300
	$ 1,120,837		$ 6,414,759	

Information on the appropriation of the Company's earnings as approved by the shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(21) Other equity items

	Unrealised gains on valuation	Currency translation	Others	Total
At January 1, 2024	$ 10,278,439	$ 363,363	($ 1,042,763)	$ 9,599,039
Valuation adjustment on equity instruments:				
– Group	623,271	-	-	623,271
– Associates	679	-	-	679
Disposals reclassified as retained earnings	(4,741,910)	-	-	(4,741,910)
Currency translation differences:				
– Group	-	6,540,510	-	6,540,510
– Associates	-	513	-	513
Changes in restricted stocks to employees	-	-	2,947	2,947
Changes in redemption liability recognised as other equity	-	-	29,569	29,569
Compensation cost of share-based payments	-	-	20,873	20,873
Net investment hedges	-	-	(1,165,532)	(1,165,532)
At December 31, 2024	$ 6,160,479	$ 6,904,386	($ 2,154,906)	$ 10,909,959

	Unrealised (losses) gains on valuation	Currency translation	Others	Total
At January 1, 2023	($ 891,781)	$ 673,456	($ 1,346,062)	($ 1,564,387)
Valuation adjustment on equity instruments:				
– Group	11,229,333	-	-	11,229,333
Disposals reclassified as retained earnings	(59,113)	-	-	(59,113)
Currency translation differences:				
– Group	-	(309,977)	-	(309,977)
– Associates	-	(116)	-	(116)
Changes in restricted stocks to employees	-	-	3,531	3,531
Changes in redemption liability recognised as other equity	-	-	253,073	253,073
Compensation cost of share-based payments	-	-	46,695	46,695
At December 31, 2023	$ 10,278,439	$ 363,363	($ 1,042,763)	$ 9,599,039

(22) Non-controlling interests

	2024	2023
At January 1	$ 836,869	$ 868,976
Share attributable to non-controlling interest:		
Gain (loss) for the year	93,929	(33,308)
Increase in non-controlling interests	5,134	3,766
Comprehensive income (loss) for the year:		
Exchange differences on translation of foreign financial statements	54,966	(2,059)
Unrealised loss from financial assets at fair value through other comprehensive income	(3,184)	(506)
At December 31	$ 987,714	$ 836,869

During the years ended December 31, 2024 and 2023, the Company's subsidiary, BRILLNICS INC., increased its capital and employees of BRILLNICS INC. exercised employee stock options, which resulted to an increase in the non-controlling interest. Refer to Note 4(3) for details.

(23) Operating revenue

	Years ended December 31,	
Contract revenue	2024	2023
Sales of electronic components	$ 958,616,583	$ 593,682,568
Services revenue	754,967	668,302
Other operating revenue	60,347	167,943
	$ 959,431,897	$ 594,518,813

A. The Group derives revenue from the transfer of goods at a point in time and services over time in the following major products:

	Years ended December 31,	
	2024	2023
Timing of revenue recognition		
At a point in time		
Application-Specific Integrated Circuit	$ 253,193,360	$ 80,952,618
Application-Specific Standard Product-Wireless Connectivity	184,227,281	175,260,960
Application-Specific Standard Product-Wired Connectivity	152,826,219	94,792,471
Analog	118,911,005	92,148,947
Microcomponents	58,613,712	44,100,866
Memory	40,945,750	32,199,857
Discrete	40,631,213	16,053,003
Application-Specific Standard Product-Others	30,981,115	27,819,579
Optoelectronics	22,329,071	12,644,995
Passive components	18,120,319	1,239,483
Others	37,897,885	16,637,732
Over time		
Services	754,967	668,302
	$ 959,431,897	$ 594,518,813

In order to comply with the semiconductor industry, the Group disclosed revenue amount of major products by reference to semiconductor component classification of Gartner Inc. since 2023.

B. The Group has recognised the following revenue-related contract liabilities provisions for estimated sales discounts:

	December 31, 2024	December 31, 2023	January 1, 2023
Refund liabilities -sales discounts and returns	$ 1,572,327	$ 1,127,279	$ 778,605
Contract liabilities -advance sales receipts	$ 1,132,253	$ 1,461,903	$ 904,038

C. Revenue recognised that was included in the contract liability balance at the beginning of the year:

	Years ended December 31,	
	2024	2023
Revenue recognised that was included in the contract liability balance at the beginning of the year	$ 861,913	$ 377,193

(24) Interest income

	Years ended December 31,	
	2024	2023
Interest income from bank deposits	$ 829,108	$ 151,614

(25) Other income

	Years ended December 31,	
	2024	2023
Dividend income	$ 258,272	$ 436,092
Grant revenue	49,689	89,355
Other income	184,546	68,683
	$ 492,507	$ 594,130

(26) Other gains and losses

	Years ended December 31,	
	2024	2023
Loss on disposal of property, plant and equipment	($ 9,745)	($ 968)
Foreign exchange loss, net	(201,667)	(45,839)
Gain on financial assets and liabilities at fair value through profit or loss	651,699	235,377
Other losses	(89,041)	(40,275)
	$ 351,246	$ 148,295

(27) Finance costs

	Years ended December 31,	
	2024	2023
Interest expense:		
Bank borrowings	$ 3,310,698	$ 2,207,355
Others	104,214	46,523
Financing charges on accounts receivable factoring	1,402,415	1,563,328
Other finance costs	262,756	62,831
	$ 5,080,083	$ 3,880,037

(28) Expenses by nature

	Years ended December 31,	
	2024	2023
Employee benefit expense	$ 14,118,297	$ 5,899,371
Depreciation	$ 1,047,720	$ 488,487
Amortisation	$ 359,192	$ 107,214

(29) Employee benefit expense

	Years ended December 31,	
	2024	2023
Employee benefit expense		
Wages and salaries	$ 13,008,243	$ 4,946,823
Labour and health insurance fees	150,491	149,165
Pension costs	482,571	465,734
Other personnel expenses	476,992	337,649
Total (shown as 'Operating expenses')	$ 14,118,297	$ 5,899,371

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 1% for employees' compensation and shall not be higher than 3% for directors' remuneration.

B. For the years ended December 31, 2024 and 2023, employees' compensation was accrued at $109,000 and $43,600, respectively; while directors' remuneration was accrued at $42,951 and $26,571, respectively. The aforementioned amounts were recognised in salary expenses.

Employees' compensation and directors' remuneration for 2024 and 2023 as resolved by the Board of Directors were in agreement with those amounts recognised in profit or loss for 2024 and 2023, respectively.

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

(30) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2024	2023
Current tax:		
Current tax on profit for the year	$ 2,552,190	$ 727,319
Tax on undistributed surplus earnings	147,795	63,616
Prior year income tax (over) under estimation	(23,700)	121
Total current tax	2,676,285	791,056
Deferred tax:		
Origination and reversal of temporary differences	(47,586)	425,475
Total deferred tax	(47,586)	425,475
Income tax expense	$ 2,628,699	$ 1,216,531

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

	2024	2023
Remeasurement of defined benefit obligations	($ 4,684)	$ 423

B. Reconciliation between income tax expense and accounting profit

	2024	2023
Tax calculated based on profit before tax and statutory tax rate	$ 4,080,826	$ 1,928,473
Expenses disallowed by tax regulation	(1,576,222)	(775,679)
Tax on undistributed earnings	147,795	63,616
Prior year income tax (over) under estimation	(23,700)	121
Income tax expense	$ 2,628,699	$ 1,216,531

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

	Year ended December 31, 2024					
	January 1	Acquisition from business combination	Recognised in profit or loss	Recognised in other comprehensive income	Effect of exchange rate	December 31
－Deferred tax assets:						
Allowance for sales returns and discounts	$ 440,202	$ -	($ 53,352)	$ -	$ 25	$ 386,875
Allowance for doubtful accounts	32,720	68,370	(33,884)	-	57	67,263
Reserve for inventory obsolescence and market price decline	282,808	138,731	(57,084)	-	(261)	364,194
Others	73,115	200,516	361,728	(3,829)	4,363	635,893
	$ 828,845	$ 407,617	$ 217,408	($ 3,829)	$ 4,184	$1,454,225
－Deferred tax liabilities:						
Foreign investment income using equity method	($ 966,234)	$ -	($ 90,735)	$ -	$ -	($1,056,969)
Allocation of purchase price of business combination	-	(2,012,311)	57,974	-	(46,163)	($2,000,500)
Others	(65,641)	(37,864)	(137,061)	(855)	2,645	(238,776)
	($1,031,875)	($2,050,175)	($ 169,822)	($ 855)	($ 43,518)	($3,296,245)

	Year ended December 31, 2023				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Effect of exchange rate	December 31
－Deferred tax assets:					
Allowance for sales returns and discounts	$ 506,453	($ 66,237)	$ -	($ 14)	$ 440,202
Allowance for doubtful accounts	31,406	1,523	-	(209)	32,720
Reserve for inventory obsolescence and market price decline	267,045	15,398	-	365	282,808
Others	273,350	(201,080)	462	383	73,115
	$ 1,078,254	($ 250,396)	$ 462	$ 525	$ 828,845
－Deferred tax liabilities:					
Foreign investment income using equity method	($ 836,238)	($ 129,996)	$ -	$ -	($ 966,234)
Others	(20,519)	(45,083)	(39)	-	(65,641)
	($ 856,757)	($ 175,079)	($ 39)	$ -	($ 1,031,875)

D. The Company has assessed that the taxable temporary differences arising on investments in subsidiaries will not reverse in the foreseeable future. Accordingly, the Company did not recognise the full amount as deferred tax liabilities. As of December 31, 2024 and 2023, the temporary differences that were not recognised as deferred tax liabilities were $9,169,411 and $4,052,497, respectively.

E. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority.

F. The Group has applied the exception to the requirements to recognise and disclose information on deferred tax assets and liabilities related to Pillar Two income taxes.

G. The Group's exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:

The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). The Pillar Two legislation was enacted in Canada, the European Union and South Korea, and will take effect from fiscal year of 2024. For certain subsidiaries incorporated in Singapore, the Pillar Two legislation has yet to be enacted and is expected to take effect from fiscal year of 2025.

Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Group has taken into account the complexities in applying the legislation and calculating GloBE income as well as the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12. This assessment indicates that for companies registered in Canada, Europe, and South Korea, the average effective tax rate based on accounting profit is over 15% for the years ended December 31, 2024. However, for subsidiaries registered in Singapore, the average effective tax rate based on accounting profit is not over 15% for the same period. Nevertheless, there is no material impact on the financial statements and current tax expense for the fourth quarter of 2024. The Group has no related significant current tax exposure as of December 31, 2024.

The Group has applied the amendments to IAS 12, 'Income tax' issued on May 23, 2023 and applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

(31) Earnings per share

	Year ended December 31, 2024		
	Amount after tax	Weighted average number of common stock outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to shareholders of the parent	$ 9,112,156		
Less: Dividends of preferred stock	(270,000)		
Profit used to calculate basic earnings per share	$ 8,842,156	1,086,949	$ 8.13
Diluted earnings per share			
Profit attributable to shareholders of the parent	$ 9,112,156		
Less: Dividends of preferred stock	(270,000)		
Profit used to calculate diluted earnings per share	8,842,156	1,086,949	
Assumed conversion of all dilutive potential common stock:			
Restricted stocks to employees	-	1,585	
Employee stock options	-	8,231	
Employees' compensation	-	1,023	
Profit used to calculate diluted earnings per share attributable to shareholders of the parent plus assumed conversion of all dilutive potential common stock	$ 8,842,156	1,097,788	$ 8.05

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of common stock outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to shareholders of the parent	$ 4,012,142		
Less: Dividends of preferred stock	(270,000)		
Profit used to calculate basic earnings per share	$ 3,742,142	883,169	$ 4.24
Diluted earnings per share			
Profit attributable to shareholders of the parent	$ 4,012,142		
Less: Dividends of preferred stock	(270,000)		
Profit used to calculate diluted earnings per share	3,742,142	883,169	
Assumed conversion of all dilutive potential common stock:			
Restricted stocks to employees	-	2,567	
Employee stock options	-	11,592	
Employees' compensation	-	581	
Profit used to calculate diluted earnings per share attributable to shareholders of the parent plus assumed conversion of all dilutive potential common stock	$ 3,742,142	897,909	$ 4.17

(32) Business combination

As of December 31, 2024 and 2023, the Group's mergers are as follows:

A. The Group acquired all the equity interest of FUTURE ELECTRONICS INC. ("FUTURE Company"):

(a) On September 14, 2023, the Company's audit committee and Board of Directors resolved to enter into a definitive agreement for the acquisition of all the shares of FUTURE ELECTRONICS INC. (FUTURE Company). In January 2024, the Board of Directors and the directors of the Company and its subsidiary, Morrihan International Corp., resolved and agreed to set up a joint venture, WT MORRIHAN INVESTMENT LIMITED, in Canada to acquire all the equity interests of FUTURE Company. On April 2, 2024, the share-settled was completed, and the total acquisition amounted to NT$121,524,000 thousand (US$3.8 billion). In accordance with the terms of the contract, a consideration adjustment has been made on August 7, 2024, resulting in a final adjusted consideration of NT$121,404,566 thousand (US$3,796,333 thousand).

(b) FUTURE Company is primarily engaged in the distribution and sales of various electronic components. The purpose of the combination is to strengthen the expansion of the business through the complementary product lines of the two parties, provide customers with a wider range of product solutions and technical support services and enhance the Group's global distribution capabilities.

(c) The following table summarises the consideration paid for FUTURE Company and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	April 2, 2024
Purchase consideration	
Cash	$ 121,404,566
Fair value of the identifiable assets acquired and liabilities assumed	
Cash	3,949,018
Accounts receivable	55,935,579
Inventories	44,033,710
Other receivables	981,914
Other current assets	4,142,689
Property, plant and equipment	2,124,176
Right-of-use assets	1,342,520
Deferred tax assets	407,617
Other non-current assets	215,801
Accounts payable and Other payables	(24,310,804)
Lease liabilities	(1,379,042)
Other current liabilities	(487,215)
Deferred tax liabilities	(2,050,175)
Other non-current liabilities	(185,836)
Total identifiable net assets	84,719,952
Fair value of the identifiable net assets-customer relationship	8,073,255
Goodwill	$ 28,611,359

(d) Had FUTURE Company been consolidated from January 1, 2024, the consolidated statement of comprehensive income would show operating revenue of $992,005,779 and profit before income tax of $11,376,427.

B. The Group acquired all the equity interest of LEADER'S TECHNOLOGY CO., LTD. ("LEADER Company"):

(a) The Company's subsidiary, ANALOG WORLD CO., LTD., acquired all the equity interest of LEADER Company in May 2023, and the effective date for the share conversion was set on May 3, 2023. LEADER Company is primarily engaged in the distribution and sales of electronic components with the Korea region as its primary market.

(b) The following table summarises the consideration paid for LEADER Company and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	May 3, 2023
Purchase consideration	
Cash	$ 204,289
Fair value of the identifiable assets acquired and liabilities assumed	
Cash	4,983
Accounts receivable	189,005
Other receivables	17,787
Inventories	298,853
Other current assets	21,411
Property, plant and equipment	6,591
Right-of-use assets	2,444
Deferred tax assets	(183,102)
Other non-current assets	(126,813)
Accounts payable and Other payables	(20,535)
Lease liabilities	(12,090)
Other current liabilities	(8,246)
Deferred tax liabilities	(1,485)
Other non-current liabilities	(35,382)
Total identifiable net assets	153,421
Fair value of the identifiable net assets-customer relationship	50,868
Goodwill	$ -

(c) The operating revenue and loss before income tax included in the consolidated statement of comprehensive income since May 3, 2023 contributed by LEADER Company was $635,892 and $17,830, respectively. Had LEADER Company been consolidated from January 1, 2023, the consolidated statement of comprehensive income for the year ended December 31, 2023 would show operating revenue of $594,835,555 and profit before income tax of $5,227,184.

(33) Supplemental cash flow information

A. Cash paid for property, plant and equipment:

	Years ended December 31,	
	2024	2023
Purchase of property, plant and equipment	$ 256,128	$ 452,717
Add: Opening balance of payable on equipment	2,772	770
Ending balance of prepayments for business facilities	144	1,091
Less: Ending balance of payable on equipment	(8,928)	(2,772)
Opening balance of prepayments for business facilities	(1,091)	(223,501)
Effect of foreign exchange	21	(7)
Cash paid during the year	$ 249,046	$ 228,298

B. Cash paid for business combinations:

	Years ended December 31,	
	2024	2023
Current assets	$ 109,042,910	$ 532,039
Property, plant and equipment	2,124,176	6,591
Acquired identifiable intangible assets	36,684,614	50,868
Other non-current assets	1,965,938	2,444
Current liabilities	(24,798,019)	(350,786)
Non-current liabilities	(3,615,053)	(36,867)
Fair value of assets acquired and liabilities assumed	121,404,566	204,289
Add: Acquired cash from business combinations	(3,949,018)	(4,983)
Cash paid during the year	$ 117,455,548	$ 199,306

C. Transactions with non-controlling interest

	Years ended December 31,	
	2024	2023
Acquisition of equity of subsidiary	$ -	$ 1,786

(34) Changes in liabilities from financing activities

	Long-term and short-term borrowings (Note)	Short-term notes and bills payable	Lease liability	Liabilities from financing activities-gross
At January 1, 2024	$ 32,554,472	$ 349,848	$ 718,620	$ 33,622,940
Changes in cash flow from financing activities	65,885,694	1,229,505	(656,927)	66,458,272
Impact of changes in foreign exchange rate	412,221	-	3,836	416,057
Interest expense from amortisation	-	19,615	-	19,615
Increase in lease liability	-	-	515,992	515,992
Acquired from business combinations	-	-	1,379,042	1,379,042
At December 31, 2024	$ 98,852,387	$ 1,598,968	$ 1,960,563	$ 102,411,918

	Long-term and short-term borrowings (Note)	Short-term notes and bills payable	Lease liability	Liabilities from financing activities-gross
At January 1, 2023	$ 56,127,005	$ 1,049,386	$ 584,132	$ 57,760,523
Changes in cash flow from financing activities	(23,489,056)	(716,769)	(279,375)	(24,485,200)
Impact of changes in foreign exchange rate	(268,064)	-	(33,793)	(301,857)
Interest expense from amortisation	-	17,231	-	17,231
Increase in lease liability	-	-	447,656	447,656
Acquired from business combinations	184,587	-	-	184,587
At December 31, 2023	$ 32,554,472	$ 349,848	$ 718,620	$ 33,622,940

Note: Including current portion of long-term loans.

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
JCD OPTICAL CORPORATION LIMITED	Associate
WPG Holdings Limited and Subsidiaries	Entity with significant influence over the Group
ASUSTeK Computer Inc. and Subsidiaries	Entity with significant influence over the Group

(2) Significant related party transactions

A. Operating revenue

	Years ended December 31, 2024	2023
Sales of goods:		
- Entity with significant influence over the Group	$ 4,806,586	$ 6,724,364
- Associates	1,954	2,035
	$ 4,808,540	$ 6,726,399

(a) The collection terms with related parties were 30 to 120 days after the end of next month and the products were categorised and priced taking into consideration the inventory cost, market and other conditions.

(b) The transactions between FUTURE ELECTRONICS INC. and associates pertain to transactions starting from the business acquisition date.

B. Purchases

	Years ended December 31,	
	2024	2023
Purchases of goods:		
- Entity with significant influence over the Group	$ 1,027,910	$ 1,070,315

(a) The credit term to related parties is 30 to 45 days after the end of the following month and the purchase prices were categorised and priced taking into consideration the market prices and other conditions.

(b) The transactions between FUTURE ELECTRONICS INC. and associates pertain to transactions starting from the business acquisition date.

C. Receivables from related parties

	December 31, 2024	December 31, 2023
Accounts receivable:		
- Entity with significant influence over the Group	$ 195,444	$ 641,771
- Associates	789	954
	$ 196,233	$ 642,725

The transactions between FUTURE ELECTRONICS INC. and associates pertain to transactions starting from the business acquisition date.

D. Payables to related parties

	December 31, 2024	December 31, 2023
Accounts payable:		
- Entity with significant influence over the Group	$ 35,367	$ 113,901

(3) Key management compensation

	Years ended December 31,	
	2024	2023
Salaries and other short-term employee benefits	$ 392,857	$ 130,217
Post-employment benefits	729	773
Share-based payment	21,209	21,367
	$ 414,795	$ 152,357

8. PLEDGED ASSETS

(1) The details of the Group's assets pledged as collateral are as follows:

		Book value	
Pledged asset	Purpose	December 31, 2024	December 31, 2023
Other current assets:			
Bank deposits	Bid bond	$ 3,174	$ 2,978

(2) For information on the Company using its holdings of subsidiary stock as collateral for a syndicated loan, please refer to Note 6(15) for details.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A. Outstanding letters of credit

The outstanding letters of credit for the purchase of inventories by the Group are as follows:

	December 31, 2024	December 31, 2023
Outstanding letters of credit	$ 8,280,042	$ 9,432,143

B. Guarantee for customs duties

The total guarantee for customs duties is as follows:

	December 31, 2024	December 31, 2023
Customs duties guarantee	$ 37,000	$ 51,000

C. On September 14, 2023, the Company's audit committee and Board of Directors resolved to enter into a definitive agreement for the acquisition of all the shares of FUTURE ELECTRONICS INC. On April 2, 2024, the share-settled was completed. Refer to Note 6(32) for details.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the financial debt ratio. This ratio is calculated as total liabilities with interests divided by total net assets. Total liabilities with interest is calculated as total amount of long-term and short-term borrowings, short-term bills payable and corporate bonds payable in the consolidated balance sheet. Total equity is calculated as the 'equity' in the consolidated balance sheet.

For the years ended December 31, 2024 and 2023, the Group's strategy was to maintain the financial debt ratio below 250%.

(2) Financial instruments

A. Financial instruments by category

	December 31, 2024	December 31, 2023
Financial assets		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	$ 405,640	$ 397,151
Financial assets designated as at fair value through profit or loss on initial recognition	5,486	5,778
	$ 411,126	$ 402,929
Financial assets at fair value through other comprehensive income		
Designation of equity instruments	$ 12,030,314	$ 19,939,272
Qualifying debt instruments	28,411,490	67,187,035
	$ 40,441,804	$ 87,126,307
Financial assets at amortised cost		
Cash and cash equivalents	$ 39,727,726	$ 22,747,549
Accounts receivable	113,682,618	44,449,615
Other receivables	5,956,485	5,550,957
Other financial assets (shown as 'other current assets')	593,725	549,058
Guarantee deposits paid (shown as 'other non-current assets')	169,983	333,160
	$ 160,130,537	$ 73,630,339

	December 31, 2024	December 31, 2023
Financial liabilities		
Financial liabilities at fair value through profit or loss		
Financial liabilities held for trading	$ 138	$ 41,185
Financial liabilities at amortised cost		
Short-term borrowings	$ 35,412,779	$ 19,821,848
Short-term notes and bills payable	1,598,968	349,848
Accounts payable	186,740,851	147,955,015
Other accounts payable	9,009,470	5,980,439
Long-term loans (including current portion)	63,439,608	12,732,624
Guarantee deposits received (shown as 'other non-current liabilities')	7,828	7,559
	$ 296,209,504	$ 186,847,333
Lease liability	$ 1,960,563	$ 718,620

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risks (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts and foreign currency option contracts, are used to hedge certain exchange rate risk. In addition, foreign exchange risk is managed by matching the payment periods of foreign currency assets and liabilities.

(b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

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

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries in various functional currency, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.

iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).

iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other subsidiaries' functional currency: USD, SGD, RMB and KRW). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2024				
				Sensitivity analysis	
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	$ 5,393,303	32.725	$ 176,495,841	1%	$ 1,764,958
USD:KRW	23,502	1,474.1	769,103	1%	7,691
USD:RMB	6,162	7.303	201,651	1%	2,017
SGD:USD	7,564	0.737	182,519	1%	1,825
Foreign operations					
USD:NTD	4,482,586	32.725	147,375,556		
Financial liabilities					
Monetary items					
USD:NTD	4,987,662	32.725	163,221,239	1%	1,632,212
USD:RMB	198,591	7.303	6,498,890	1%	64,989
USD:KRW	47,816	1,474.1	1,564,779	1%	15,648
SGD:TWD	29,557	0.737	713,210	1%	7,132

	December 31, 2023				
				Sensitivity analysis	
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	$ 3,523,067	30.705	$ 108,175,772	1%	$ 1,081,758
USD:KRW	20,922	1,289.4	642,410	1%	6,424
USD:RMB	9,089	7.100	279,078	1%	2,791
RMB:USD	38,124	0.141	164,879	1%	1,649
Foreign operations					
USD:NTD	643,057	30.705	19,744,639		
Financial liabilities					
Monetary items					
USD:NTD	3,538,818	30.705	108,659,407	1%	1,086,594
USD:RMB	237,381	7.100	7,288,784	1%	72,888
USD:KRW	34,913	1,289.4	1,072,004	1%	10,720

v. The total exchange loss, including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2024 and 2023 amounted to $201,667 and $45,839, respectively.

Price risk

i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is performed in accordance with the limits set by the Group.

ii. The Group's investments comprise shares and beneficiary certificates issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2024 and 2023 would have increased/decreased by $2,778 and $2,514, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $120,303 and $199,393, respectively, as a result of other comprehensive income on equity investment classified as at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group's main interest rate risk arises from bank borrowings with variable rates and advance receipt of factoring accounts receivable, which expose the Group to cash flow interest rate risk. During the years ended December 31, 2024 and 2023, the Group's borrowings at variable rate were mainly denominated in US Dollars.

ii. The Group's borrowings are measured at amortised cost. According to the contract, the borrowings are periodically reset. Therefore, the Group is exposed to the risk of future changes in market interest rates.

iii. If the borrowing interest rate had increased/decreased by 25 basis point with all other variables held constant, profit, net of tax for the years ended December 31, 2024 and 2023 would have decreased/increased by $205,356 and $66,897, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. The Group manages its credit risk from the group's perspective. For banks and financial institutions, only approved by FSC are accepted to be transaction parties. According to the credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and

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

iii. If the contract payments were past due over 90 days based on the terms, the Group considers that there has been a significant increase in credit risk on that instrument since initial recognition. The Group considers that the default occurs when the contract payments are past due over 180 days.

iv. The ageing analysis of accounts receivable (including overdue receivables) and notes receivable is as follows:

	Notes and accounts receivable	
	December 31, 2024	December 31, 2023
Not past due	$ 130,501,547	$ 105,301,863
Up to 90 days	10,893,090	6,269,239
91 to 180 days	845,798	123,828
Over 180 days	560,120	678,644
	$ 142,800,555	$ 112,373,574

(i) The above ageing analysis was based on days past due.

(ii) Abovementioned notes receivable are not past due.

After the recourse procedure, the Group will write off the amount of financial assets that cannot reasonably be expected to be recovered, however the Group will continue to carry out recourse legal procedures to preserve the creditor's rights.

v. The Group assesses the expected credit losses of its accounts receivable as follows:

(i) Accounts receivable that are significantly past due are assessed individually for their expected credit losses;

(ii) The remaining receivables are segmented according to the Group’s credit ratings of its customers. Different loss rates or provision matrices are applied to the different segments when estimating expected credit losses;

(iii) Loss rates, calculated from historical and current information, are adjusted according to forward-looking information such as the business indicators published by the National Development Council.

(iv) As of December 31, 2024 and 2023, loss allowances of accounts receivable and notes receivable calculated from individual assessment or using the loss rate methodology and provision matrix are as follows:

December 31, 2024	Individual	Group A & B	Group C	Group D	Total
Expected loss rate	77.06%	0.05%~0.19%	0.09%~100%	0.05%~52.67%	
Total book value	$ 513,184	$103,320,960	$ 34,336,654	$ 4,629,757	$ 142,800,555
Loss allowance	$ 395,477	$ 115,702	$ 102,148	$ 93,120	$ 706,447
December 31, 2023	Individual	Group A & B	Group C	Group D	Total
Expected loss rate	85.71%	0.05%	0.08%~61.54%	0.05%~38.90%	
Total book value	$ 622,047	$ 74,284,224	$ 33,017,482	$ 4,449,821	$ 112,373,574
Loss allowance	$ 533,176	$ 36,845	$ 92,611	$ 74,292	$ 736,924

Group A: Customers with excellent credit rating

Group B: Customers with fine credit rating

Group C: Customers with normal credit rating

Group D: Rated as other than A, B and C

vi. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable (including overdue receivables) are as follows:

	Years ended December 31,	
	2024	2023
At January 1	$ 736,924	$ 724,879
Provision for impairment	98,126	7,762
Write-off	(129,598)	-
Effect of exchange rate changes	995	4,283
At Decemeber 31	$ 706,447	$ 736,924

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. The Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (Note 6(15)) at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internally assessed financial ratio targets and, if applicable, external regulatory or legal requirements.

ii. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. The Group treasury invests surplus cash in interest bearing demand deposits, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts, and expects to readily generate cash inflows for managing liquidity risk.

iii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the due date at the balance sheet date. Non-derivative financial liabilities are analysed by

remaining periods from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

December 31, 2024

	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Short-term borrowings (Note)	$ 35,537,207	$ -	$ -	$ 35,537,207
Lease liability	809,754	1,167,471	197,293	2,174,518
Long-term loans (Note)	74,798	64,668,137	-	64,742,935

December 31, 2023

	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Short-term borrowings (Note)	$ 19,914,960	$ -	$ -	$ 19,914,960
Lease liability	253,608	370,192	213,612	837,412
Long-term loans (Note)	88,587	13,983,695	-	14,072,282

Note: Including imputed interest payable.

Except for the above, the Group's non-derivative financial liabilities are due in one year.

Derivative financial liabilities:

As of December 31, 2024 and 2023, all derivative financial liabilities of the Group are due in one year.

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

(3) Fair value information

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks, open-end funds and overseas bonds is included in level 1.

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

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market, debt instrument and private equity fund is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(10).

C. The carrying amounts of financial instruments not measured at fair value, including cash and cash equivalents, notes and accounts receivable, other receivables, other current assets, short-term borrowings, short-term notes and bills payable, accounts payable, other payables and long-term loans (including current portion), are approximate to their fair values.

D. The related information on financial instruments measured at fair value by level on the basis of the nature, characteristics and risks are as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Beneficiary certificates	$ 34,410	$ -	$ 307,355	$ 341,765
Equity instruments	5,486	-	-	5,486
Debt instruments	-	-	33,686	33,686
Derivative instruments	-	13,812	-	13,812
Hybrid instruments	-	-	16,377	16,377
Financial assets at fair value through other comprehensive income				
Equity instruments	11,828,081	-	202,233	12,030,314
Accounts receivable that are expected to be factored	-	-	28,411,490	28,411,490
	$11,867,977	$ 13,812	$28,971,141	$40,852,930
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Derivative instruments	$ -	$ 138	$ -	$ 138

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Beneficiary certificates	$ 44,630	$ -	$ 263,852	$ 308,482
Equity instruments	5,778	-	-	5,778
Debt instruments	284	-	48,289	48,573
Derivative instrument	-	179	-	179
Hybrid instrument	-	-	39,917	39,917
Financial assets at fair value through other comprehensive income				
Equity instruments	19,736,078	-	203,194	19,939,272
Accounts receivable that are expected to be factored	-	-	67,187,035	67,187,035
	$19,786,770	$ 179	$67,742,287	$87,529,236
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Derivative instrument	$ -	$ 41,185	$ -	$ 41,185

(b) The methods and assumptions the Group used to measure fair value are as follows:

i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares	Open-end fund	Corporate bonds
Market quoted price	Closing price	Net assets value	Weighted average quoted price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

iii. When assessing non-standard and low-complexity financial instruments, for example, cross currency swap contracts, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.

v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

E. For the years ended December 31, 2024 and 2023, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the years ended December 31, 2024 and 2023:

	Financial instruments	
	2024	2023
At January 1	$ 67,742,287	$ 30,038,813
Acquired during the year	17,597	118,771
Disposed during the year	(20,865)	(6,982)
Gains (losses) recognised in profit or loss	16,907	(5,444)
(Losses) gains recognised in other comprehensive income	(14,364)	12,830
Increase in accounts receivable that are expected to be factored	7,830,961	44,562,219
Decrease in accounts receivable that are expected to be factored	(46,606,506)	(6,977,898)
Effect of exchange rate changes	5,124	(22)
At December 31	$ 28,971,141	$ 67,742,287

For the years ended December 31, 2024 and 2023, there was no transfer into or out from Level 3.

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

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	$ 3,758	Market comparable companies	Price to earnings ratio multiple	1.62-2.13 (1.84)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
	63,279	Most recent non-active market price	Not applicable	-	Not applicable
Unlisted preferred stocks	28,303	Discounted cash flow method	Weighted average cost of capital	11.51%	The higher the weighted average cost of capital and discount for lack of marketability, the lower the fair value
			Discount for lack of marketability	30%	
	5,383	Market comparable companies	Price-to-sales ratio	4.19-8.8 (6.61)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
	119,859	Most recent non-active market price	Not applicable	-	Not applicable
Convertible bonds	16,377	Most recent non-active market price	Not applicable	-	Not applicable
Venture capital shares	15,337	Net asset value	Not applicable	-	Not applicable
Private equity fund	307,355	Net asset value	Not applicable	-	Not applicable

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	$ 5,730	Market comparable companies	Price to earnings ratio multiple	1.15~1.96 (1.54)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
	48,416	Most recent non-active market price	Not applicable	-	Not applicable
Unlisted preferred stocks	26,556	Discounted cash flow method	Weighted average cost of capital	11.51%	The higher the weighted average cost of capital and discount for lack of marketability, the lower the fair value
			Discount for lack of marketability	30%	
	21,733	Market comparable companies	Price to earnings ratio multiple	4.94~11.37 (8.29)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
	100,454	Most recent non-active market price	Not applicable	-	Not applicable
Convertible bonds	39,917	Most recent non-active market price	Not applicable	-	Not applicable
Venture capital shares	48,594	Net asset value	Not applicable	-	Not applicable
Private equity fund	263,852	Net asset value	Not applicable	-	Not applicable

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Refer to table 1.

B. Provision of endorsements and guarantees to others: Refer to table 2.

C. Holding of marketable securities at the end of the year (not including subsidiaries, associates and joint ventures): Refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: Refer to table 4.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 5.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 6.

I. Trading in derivative instruments undertaken during the reporting periods: Refer to Note 6(2).

J. Significant inter-company transactions during the reporting periods: Refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 9.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to Note 13(1).

(4) Major shareholders information

Major shareholders information: Refer to table 10.

14. SEGMENT INFORMATION

(1) General information

The Group is engaged in the development and sales of electronic and communication components. The Group's chief operating decision maker reviews the Group's overall operating results to determine decisions of the Group's resources and assess the Group's overall performance. Operating segments of the Group have been aggregated into one operating segment because they have similar economic characteristics and show similar long-term financial performances.

The Group's operating segment information is prepared in accordance with the Group's accounting policies. The decision maker allocates resources and assesses performance of the operating segments primarily based on the operating revenue and profit (loss) before tax of individual operating segment.

(2) Financial information of reportable segment

The financial information on reportable single operating segment to the chief operating decision maker is as follows:

	Single Operating Segment	
	Years ended December 31,	
	2024	2023
Revenue from external customers	$ 959,431,897	$ 594,518,813
Segment income	$ 11,834,784	$ 5,195,365
Segment assets (Note)	$ -	$ -
Depreciation and amortisation	$ 1,406,912	$ 555,701
Finance costs	$ 5,080,083	$ 3,880,037

Note: The chief operating decision maker does not use the measured amount of the assets as a measurement indicator; therefore, the measured amount of the Group's assets shall be disclosed as zero.

(3) Reconciliation information on reportable segment revenue and profit (loss)

The reportable segment income is consistent with the income/(loss) before tax from continuing operations for the period.

(4) Information on products and services

Refer to Note 6(23) for the related information.

(5) Geographical information

Geographical information for the years ended December 31, 2024 and 2023 is as follows:

	Year ended December 31, 2024		Year ended December 31, 2023	
	Revenue	Non-current assets	Revenue	Non-current assets
America	$ 332,847,298	$ 525,456	$ 109,439,941	$ -
Taiwan	281,511,098	3,972,355	262,587,484	3,522,227
China	219,128,997	1,612,823	151,256,750	1,610,537
Others	125,944,504	40,566,925	71,234,638	887,831
	$ 959,431,897	$ 46,677,559	$ 594,518,813	$ 6,020,595

The above revenue by geographic area is calculated based on sales to external customers at the location of the headquarter's registered office.

(6) Major customer information

	Years ended December 31,	
	2024	2023
Customer A	$ 243,756,027	$ 72,336,013
Customer B	63,659,256	66,948,037
	$ 307,415,283	$ 139,284,050

WT Microelectronics Co., Ltd. and subsidiaries

Loans to others

Year ended December 31, 2024

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2024	Balance at December 31, 2024	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
1	WINTECH MICROELECTRONICS HOLDING LIMITED	WINTECH MICROELECTRONICS LTD.	Other receivables - related parties	Y	$ 7,163,200	$ 654,500	$ 458,150	4.58%	Short-term financing	$ -	Business Operation	$ -	-	$ -	$ 8,732,870	$ 8,732,870	Note 2
1	WINTECH MICROELECTRONICS HOLDING LIMITED	WINTECH MICROELECTRONICS (HONG KONG) LIMITED	Other receivables - related parties	Y	6,570,000	6,545,000	4,352,425	1.88%~2.01%	Short-term financing	-	Business Operation	-	-	-	8,732,870	8,732,870	Note 2
2	BSI SEMICONDUCTOR PTE. LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Other receivables - related parties	Y	325,215	323,978	323,978	4.95%~6.84%	Short-term financing	-	Business Operation	-	-	-	605,392	605,392	Note 2
2	BSI SEMICONDUCTOR PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	32,725	32,725	32,725	5.84%	Short-term financing	-	Business Operation	-	-	-	605,392	605,392	Note 2
3	MSD HOLDING PTE. LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Other receivables - related parties	Y	91,980	-	-	6.00%	Short-term financing	-	Business Operation	-	-	-	9,488	9,488	Note 2
3	MSD HOLDING PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	16,255	-	-	5.84%	Short-term financing	-	Business Operation	-	-	-	9,488	9,488	Note 2
4	EXCELPOINT TECHNOLOGY PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	189,420	143,990	143,990	5.94%~6.04%	Short-term financing	-	Business Operation	-	-	-	2,956,118	2,956,118	Note 2
5	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	EXCELPOINT INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	Other receivables - related parties	Y	984,346	470,505	470,505	3.1%~3.45%	Short-term financing	-	Business Operation	-	-	-	2,069,870	2,069,870	Note 2
6	WINTECH INVESTMENT CO., LTD.	WINTECH MICROELECTRONICS LTD.	Other receivables - related parties	Y	137,970	137,445	137,445	4.58%	Short-term financing	-	Business Operation	-	-	-	1,074,111	1,074,111	Note 2
7	EXCELPOINT SYSTEMS (PTE) LTD	EXCELPOINT SYSTEMS VIETNAM COMPANY LIMITED	Other receivables - related parties	Y	55,199	45,815	45,815	5.78%~6.03%	Short-term financing	-	Business Operation	-	-	-	602,208	602,208	Note 2
8	WT TECHNOLOGY KOREA CO., LTD.	LEADER'S TECHNOLOGY CO., LTD.	Other receivables - related parties	Y	190,480	111,000	66,600	4.60%	Short-term financing	-	Business Operation	-	-	-	668,743	668,743	Note 2
9	PLANETSPARK PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	117,216	83,449	83,449	6.27%	Short-term financing	-	Business Operation	-	-	-	218,139	218,139	Note 2
9	PLANETSPARK PTE. LTD.	SPACEAGE LABS PTE. LTD.	Other receivables - non related parties	N	9,141	8,937	8,937	7.50%	Short-term financing	-	Business Operation	-	-	-	87,256	87,256	Note 3
10	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	1,971,000	1,963,500	-	5.73093%	Short-term financing	-	Business Operation	-	-	-	127,279,446	127,279,446	Note 2
10	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Other receivables - related parties	Y	2,628,000	2,618,000	-	5.73093%	Short-term financing	-	Business Operation	-	-	-	127,279,446	127,279,446	Note 2
10	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS (US) FINANCE CORP.	Other receivables - related parties	Y	2,562,300	2,552,550	1,045,820	5.73093%	Short-term financing	-	Business Operation	-	-	-	127,279,446	127,279,446	Note 2
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	1,971,000	1,963,500	488,036	5.73093%	Short-term financing	-	Business Operation	-	-	-	22,546,490	22,546,490	Note 2
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Other receivables - related parties	Y	63,416	61,756	61,756	6.55%	Short-term financing	-	Business Operation	-	-	-	22,546,490	22,546,490	Note 2
11	FUTURE ELECTRONICS LIMITED	FE TRADING PTY LTD.	Other receivables - related parties	Y	131,059	127,629	127,629	6.55%	Short-term financing	-	Business Operation	-	-	-	22,546,490	22,546,490	Note 2
11	FUTURE ELECTRONICS LIMITED	WT MICROELECTRONICS CO., LTD.	Other receivables - related parties	Y	2,454,375	2,454,375	2,454,375	4.95603%~4.99709%	Short-term financing	-	Business Operation	-	-	-	22,546,490	22,546,490	Note 2
12	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	2,628,000	2,618,000	2,284,205	5.73093%	Short-term financing	-	Business Operation	-	-	-	23,978,137	23,978,137	Note 2
12	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	MORRIHAN SINGAPORE PTE. LTD.	Other receivables - related parties	Y	6,570,000	6,545,000	3,272,500	5.21%	Short-term financing	-	Business Operation	-	-	-	23,978,137	23,978,137	Note 2

Number (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2024	Balance at December 31, 2024	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
13	FUTURE ELECTRONICS (US) FINANCE CORP.	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	$ 2,562,300	$ 2,552,550	$ -	5.73093%	Short-term financing	$ -	Business Operation	$ -	-	$ -	$ 28,153,963	$ 28,153,963	Note 2
13	FUTURE ELECTRONICS (US) FINANCE CORP.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Other receivables - related parties	Y	3,285,000	3,272,500	2,844,850	5.73093%	Short-term financing	-	Business Operation	-	-	-	28,153,963	28,153,963	Note 2
14	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS (US) FINANCE CORP.	Other receivables - related parties	Y	3,285,000	3,272,500	-	5.73093%	Short-term financing	-	Business Operation	-	-	-	13,441,943	13,441,943	Note 2
15	FUTURE ELECTRONICS MANAGEMENT SERVICES LIMITED.	FUTURE ELECTRONICS EDC SERVICES GMBH	Other receivables - related parties	Y	604,180	580,210	580,210	3.33%~ 4.59%	Short-term financing	-	Business Operation	-	-	-	13,039,112	13,039,112	Note 2
16	FUTURE ELECTRONICS SAS	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	177,700	170,650	68,260	6.54%	Short-term financing	-	Business Operation	-	-	-	684,874	684,874	Note 2
17	FUTURE ELECTRONICS POLSKA SPÓŁKA Z	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	165,288	159,645	159,645	4.93249%~ 6.54%	Short-term financing	-	Business Operation	-	-	-	184,471	184,471	Note 2
18	FUTURE ELECTRONICS SRL	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	59,188	57,639	57,639	6.55%	Short-term financing	-	Business Operation	-	-	-	72,679	72,679	Note 2
19	FUTURE ELECTRONICS, S.R.O.	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	42,277	41,171	32,936	6.55%	Short-term financing	-	Business Operation	-	-	-	54,447	54,447	Note 2
20	FUTURE ELECTRONICS (IRELAND) LTD.	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	39,094	-	-	6.55%	Short-term financing	-	Business Operation	-	-	-	26,301	26,301	Note 2
21	FUTURE ELECTRONICS B.V.	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	39,094	-	-	6.55%	Short-term financing	-	Business Operation	-	-	-	17,281	17,281	Note 2
22	MORRIHAN SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	2,781,625	2,781,625	2,781,625	5.78~5.84%	Short-term financing	-	Business Operation	-	-	-	2,842,211	2,842,211	Note 2
23	FUTURE ELECTRONICS CORP.	WT MICROELECTRONICS CO., LTD.	Other receivables - related parties	Y	1,636,250	1,636,250	1,636,250	4.99709%	Short-term financing	-	Business Operation	-	-	-	17,366,062	17,366,062	Note 2

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

(1) The Company is '0'.

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

Note 2: The policy for loans granted mutually between overseas subsidiaries of which the Company directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by an overseas subsidiary to all overseas subsidiaries and limit on loans granted by an overseas subsidiary to a single overseas subsidiary are the Creditor's net assets.

Note 3: The policy for loans between the Company and subsidiaries and companies with short-term capital needs is as follows: limit on loans granted by the Company and subsidiaries single party is 40% of the company's net assets, based on the most recent financial statements of the company, ceiling on total loans granted by a company is 40% of the company's net assets.

Note 4: The net assets referred to above are based on the latest audited or reviewed financial statements.

WT Microelectronics Co., Ltd. and subsidiaries

Provision of endorsements and guarantees to others

Year ended December 31, 2024

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Party being endorsed/guaranteed: Relationship with the endorser / guarantor (Note 2)	Limit on endorsements / guarantees provided for a single party (Note 3)	Maximum outstanding endorsement / guarantee amount as of December 31, 2024	Outstanding endorsement / guarantee amount at December 31, 2024	Actual amount drawn down	Amount of endorsements / guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements / guarantees provided (Note 3)	Provision of endorsements / guarantees by parent company to subsidiary	Provision of endorsements / guarantees by subsidiary to parent company	Provision of endorsements / guarantees to the party in Mainland China	Footnote
0	WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	2	$ 411,502,232	$ 800,000	$ 800,000	$ 800,000	$ -	0.78%	$ 411,502,232	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	MAXTEK TECHNOLOGY CO., LTD.	2	411,502,232	391,680	-	-	-	0.00%	411,502,232	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	2	411,502,232	1,314,000	1,309,000	-	-	1.27%	411,502,232	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	2	411,502,232	2,463,750	1,636,250	-	-	1.59%	411,502,232	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	2	411,502,232	67,014	66,759	4,255	-	0.06%	411,502,232	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WONCHANG SEMICONDUCTOR CO., LTD.	2	411,502,232	1,535	1,309	135	-	0.00%	411,502,232	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	LEADER'S TECHNOLOGY CO., LTD.	2	411,502,232	100,466	100,466	64	-	0.10%	411,502,232	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN SINGAPORE PTE. LTD.	2	411,502,232	328,500	327,250	-	-	0.32%	411,502,232	Y	N	N	
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	2	411,502,232	6,320,691	5,727,415	448,100	-	5.57%	411,502,232	Y	N	Y	
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	2	411,502,232	2,130,824	1,771,220	-	-	1.72%	411,502,232	Y	N	Y	
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	2	411,502,232	31,845,173	31,837,488	11,223,949	-	30.95%	411,502,232	Y	N	N	
1	EXCELPOINT TECHNOLOGY PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	2	44,341,770	1,642,500	1,636,250	13,323	-	55.35%	44,341,770	N	N	N	Note 4
2	ANALOG WORLD CO., LTD.	LEADER'S TECHNOLOGY CO., LTD.	2	1,317,868	35,953	-	-	-	0.00%	1,317,868	N	N	N	Note 5
3	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS EDC SERVICES GMBH	2	512,808,936	2,334	2,242	-	-	0.00%	512,808,936	N	N	N	Note 6
3	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS (HONG KONG) LIMITED	2	512,808,936	2,264	-	-	-	0.00%	512,808,936	N	N	N	Note 6
3	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	2	512,808,936	208,482	163,625	163,625	-	0.13%	512,808,936	N	N	N	Note 6
3	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS PTY LTD	2	512,808,936	183	-	-	-	0.00%	512,808,936	N	N	N	Note 6
3	FUTURE ELECTRONICS INC.	WT MICROELECTRONICS CO., LTD.	3	512,808,936	30,000,000	30,000,000	9,754,067	-	23.57%	512,808,936	N	Y	N	Note 6
3	FUTURE ELECTRONICS INC.	MORRIHAN INTERNATIONAL CORP.	4	512,808,936	30,000,000	30,000,000	9,754,067	-	23.57%	512,808,936	N	N	N	Note 6
4	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	MACKTRONICS LIMITED	1	8,921	9,199	2,880	460	-	0.01%	95,912,549	N	N	N	Note 7
4	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	SUMMIT INTERNATIONAL	1	4,422	6,570	4,418	-	-	0.02%	95,912,549	N	N	N	Note 7
4	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	SNAPDRAGON ENTERPRISE LTD	1	2,882	6,570	-	-	-	0.00%	95,912,549	N	N	N	Note 7

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

(1) The Company is '0'.

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

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following four categories:

(1) Having business relationship.

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

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

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

Note 3: For a single party who owns directly and indirectly more than 50% voting shares of the Company should not be in excess of 400% of the Company's net assets, which are based on the latest financial statements audited or reviewed by the Company's CPA.

Note 4: The limit of endorsement guarantees by EXCELPOINT TECHNOLOGY PTE. LTD. for a single enterprise and the total limit of endorsement guarantees should not be in excess of 15 times the Company's net assets.

Note 5: ANALOG WORLD CO., LTD. for a single enterprise and the total limit of endorsement guarantees should not be in excess of 400% the Company's net assets.

Note 6: FUTURE ELECTRONICS INC. for a single enterprise and the total limit of endorsement guarantees should not be in excess of 400% the Company's net assets.

Note 7: FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD for a single enterprise and the total limit of endorsement guarantees should not be in excess of 400% the Company's net assets.

For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases.

WT Microelectronics Co., Ltd. and subsidiaries

Holding of marketable securities (not including subsidiaries, associates and joint ventures)

Year ended December 31, 2024

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Type of securities	Name of securities	Relationship with the securities issuer	General ledger account (Note)	As of December 31, 2024				Footnote
					Number of shares	Book value	Ownership (%)	Fair value	
WT MICROELECTRONICS CO., LTD.	Common stock	TERAWINS, INC.	None	2	666,248	$ 3,758	2.19	$ 3,758	
WT MICROELECTRONICS CO., LTD.	Common stock	AIPTEK INTERNATIONAL INC.	None	2	48,778	-	0.18	-	
WT MICROELECTRONICS CO., LTD.	Common stock	SANJET TECHNOLOGY CORP.	None	2	43,588	-	0.14	-	
WT MICROELECTRONICS CO., LTD.	Common stock	CORERIVER SEMICONDUCTOR CO., LTD.	None	2	28,570	-	0.70	-	
WT MICROELECTRONICS CO., LTD.	Limited Partnership	FORYOU VENTURE CAPITAL LIMITED PARTNERSHIP	None	2	-	15,337	6.73	15,337	
WT MICROELECTRONICS CO., LTD.	Common stock	ASMEDIA TECHNOLOGY INC.	None	2	4,500,000	8,932,500	6.49	8,932,500	
WT MICROELECTRONICS CO., LTD.	Private equity funds	FUH HWA ENERGY - EFFICIENT FUND	None	4	9,443,802	99,726	-	99,726	
WT MICROELECTRONICS CO., LTD.	Funds	FUH HWA TAIWAN GOOD INCOME FUND TWD	None	4	3,000,000	34,410	-	34,410	
WT MICROELECTRONICS CO., LTD.	Common stock	SINO-AMERICAN SILICON PRODUCTS INC.	None	1	2,733,000	367,589	0.43	367,589	
WT MICROELECTRONICS CO., LTD.	Common stock	JESS-LINK PRODUCTS CO., LTD.	None	2	473,000	69,295	0.39	69,295	
WT MICROELECTRONICS CO., LTD.	Private equity funds	FUH HWA GLOBAL IOT AND TECH FUND	None	4	10,010,010	135,836	-	135,836	
WT MICROELECTRONICS CO., LTD.	Common stock	ZILLTEK TECHNOLOGY CORP.	None	2	260,000	83,330	0.47	83,330	
WT MICROELECTRONICS CO., LTD.	Common stock	NICHIDENBO CORPORATION	None	2	1,000,000	69,700	0.47	69,700	
WT MICROELECTRONICS CO., LTD.	Ordinary shares raised through the private placement	NICHIDENBO CORPORATION	None	2	30,000,000	1,871,400	14.11	1,871,400	
WT MICROELECTRONICS CO., LTD.	Common stock	DAYPOWER ENERGY CO., LTD.	None	2	2,000,000	25,000	10.00	25,000	
NUVISION TECHNOLOGY INC.	Common stock	JESS-LINK PRODUCTS CO., LTD.	None	2	196,000	28,714	0.16	28,714	
NUVISION TECHNOLOGY INC.	Common stock	ZILLTEK TECHNOLOGY CORP.	None	2	307,000	98,394	0.56	98,394	
MORRIHAN INTERNATIONAL CORP.	Common stock	JESS-LINK PRODUCTS CO., LTD.	None	2	688,000	100,792	0.56	100,792	
MORRIHAN INTERNATIONAL CORP.	Common stock	ZILLTEK TECHNOLOGY CORP.	None	2	329,000	105,445	0.60	105,445	
WINTECH MICROELECTRONICS HOLDING LTD.	Preferred stock	AMMAX BIO, INC.	None	4	301,100	28,303	0.81	28,303	
WINTECH MICROELECTRONICS HOLDING LTD.	Preferred stock	CATHAY PRIVATE EQUITY ECOLOGY LIMITED PARTNERSHIP	None	4	-	15,225	-	15,225	
WINTECH MICROELECTRONICS HOLDING LTD.	Private equity funds	AVIVA TECHNOLOGY HOLDING	None	4	659,034	5,383	1.77	5,383	
WINTECH MICROELECTRONICS HOLDING LTD.	Common stock	DRAGON YI INVESTMENT LTD.	None	2	600,000	19,635	19.35	19,635	
WINTECH MICROELECTRONICS HOLDING LTD.	Private equity funds	IMPACT SCIENCE VENTURES FUND I, L.P		4	-	56,568	-	56,568	

Securities held by	Type of securities	Name of securities	Relationship with the securities issuer	General ledger account (Note)	As of December 31, 2024				Footnote
					Number of shares	Book value	Ownership (%)	Fair value	
WINTECH MICROELECTRONICS HOLDING LTD.	Common stock	SHANGHAI UQ IOT TECH., INC.	None	2	-	$ 18,644	13.33	$ 18,644	
MILESTONE INVESTMENT CO., LTD.	Common stock	GRAND FORTUNE SECURITIES CO., LTD.	None	3	447,871	5,486	0.11	5,486	
MILESTONE INVESTMENT CO., LTD.	Common stock	GRAND FORTUNE SECURITIES CO., LTD.	None	2	7,140,443	87,470	1.80	87,470	
EXCELPOINT TECHNOLOGY PTE. LTD.	Common stock	IWOW TEACHNOLOGY LTD.	None	2	3,000,000	13,452	1.14	13,452	
PLANETSPARK PTE. LTD.	Preferred stock	MERIDIAN INNOVATION PTE LTD.	None	2	1,662,244	119,859	-	119,859	
PLANETSPARK PTE. LTD.	Convertible bonds	VIVO SURGICAL PRIVATE LIMITED	None	4	-	16,377	-	16,377	

Note : Code of general ledger accounts: 1- Financial assets at fair value through other comprehensive income - current

2- Financial assets at fair value through other comprehensive income - non-current

3- Financial assets at fair value through profit or loss - current

4- Financial assets at fair value through profit or loss - non-current

WT Microelectronics Co., Ltd. and subsidiaries

Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital

Year ended December 31, 2024

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

					Balance as at January 1, 2024		Addition		Disposal				Balance as at December 31, 2024	
Investor	Marketable securities	General ledger account	Counterparty	Relationship with the counterparty	No. of shares	Amount	No. of shares	Amount	No. of shares	Selling price	Book value	Gain (loss) on disposal	No. of shares	Amount
WT MICROELECTRONICS CO., LTD.	SINO-AMERICAN SILICON PRODUCTS INC.	Note 1	Non related parties	-	5,644,000	$ 1,106,224	-	$ -	2,911,000	$ 654,849	$ 487,536	$ 167,313	2,733,000	$ 367,589
WT MICROELECTRONICS CO., LTD.	ASMEDIA TECHNOLOGY INC.	Note 1	Non related parties	-	9,000,000	16,335,000	-	-	4,500,000	7,875,000	3,312,000	4,563,000	4,500,000	8,932,500
WT MICROELECTRONICS CO., LTD.	FUTURE ELECTRONICS INC.	Note 2	Capital injection	Note 3	-	-	51	61,916,329	-	-	-	-	51	65,113,508
MORRIHAN INTERNATIONAL CORP.	FUTURE ELECTRONICS INC.	Note 2	Capital injection	Note 3	-	-	49	59,488,237	-	-	-	-	49	62,560,037

Note 1 : General ledger account 'Financial assets at fair value through other comprehensive income', gains (losses) on disposal are directly transferred from other comprehensive income to retained earnings; the balance as at December 31, 2024 includes gains (losses) on valuation.

Note 2 : General ledger account is 'Investments accounted for using equity method', the balance as at December 31, 2024 includes investment profit and adjustments.

Note 3 : The counterparty is the subsidiary of the Company.

WT Microelectronics Co., Ltd. and subsidiaries

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

Year ended December 31, 2024

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Sales	$ 127,000,824	28	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	$ 21,490,581	31	
WT MICROELECTRONICS CO., LTD.	TECHMOSA INTERNATIONAL INC.	Affiliates	Sales	112,157	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS CO., LTD.	MAXTEK TECHNOLOGY CO., LTD.	Affiliates	Sales	279,310	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	7,813	-	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	82,937,451	18	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	11,569,544	17	
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	10,996,700	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	3,771,393	6	
WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	Sales	2,421,826	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	671,221	-	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	18,152,135	4	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	4,195,042	6	
WT MICROELECTRONICS CO., LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Sales	102,546	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	113,688	-	
WT MICROELECTRONICS CO., LTD.	WONCHANG SEMICONDUCTOR CO., LTD.	Affiliates	Sales	247,863	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	25,879	-	
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	Affiliates	Sales	3,665,051	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	810,742	1	
WT MICROELECTRONICS CO., LTD.	LEADER'S TECHNOLOGY CO., LTD.	Affiliates	Sales	593,831	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Purchases	3,749,107	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Affiliates	Purchases	5,790,165	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(973,564)	1	
WT MICROELECTRONICS CO., LTD.	TECHMOSA INTERNATIONAL INC.	Affiliates	Purchases	807,213	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(252,989)	-	
WT MICROELECTRONICS CO., LTD.	MAXTEK TECHNOLOGY CO., LTD.	Affiliates	Purchases	1,270,015	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS CO., LTD.	HONGTECH ELECTRONICS CO., LTD.	Affiliates	Purchases	713,211	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Purchases	478,107	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS CO., LTD.	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Purchases	196,901	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
NUVISION TECHNOLOGY INC.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	2,964,836	13	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	155,190	3	
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	3,351,466	15	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	681,427	15	
NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	Sales	1,523,883	7	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	366,931	8	
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	830,609	4	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	224,530	5	
MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	1,826,755	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	442,920	1	
MORRIHAN INTERNATIONAL CORP.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	100,585	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	3,254	-	
MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	Sales	278,788,883	59	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	10,249,506	30	
MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	1,226,237	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	761,187	2	
MORRIHAN INTERNATIONAL CORP.	WT TECHNOLOGY KOREA CO., LTD.	Affiliates	Sales	151,512	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(55,062)	-	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
MORRIHAN INTERNATIONAL CORP.	ANALOG WORLD CO., LTD.	Affiliates	Sales	$ 744,016	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	($ 559)	-	
TECHMOSA INTERNATIONAL INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	472,243	17	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	115,504	19	
MAXTEK TECHNOLOGY CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Sales	123,031	4	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	29,942	-	
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	1,133,633	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	925,606	5	
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	5,365,215	6	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	4,516,647	25	
WT MICROELECTRONICS (HONG KONG) LIMITED	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	174,378	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS (SHANGHAI) CO., LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	361,544	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	253,118	4	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	1,563,492	7	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	1,578,999	26	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	1,367,162	6	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	73,442	1	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	7,331,807	31	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	247,986	4	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	261,478	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Sales	1,226,958	5	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	618,446	10	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	Sales	230,360	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	102,364	2	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	ANALOG WORLD CO., LTD.	Affiliates	Sales	136,996	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	25,939	-	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Purchases	1,878,167	8	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WINTECH MICROELECTRONICS LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	134,326	78	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	710,099	6	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	61,370	2	
EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	306,393	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	133,146	4	
EXCELPOINT SYSTEMS (H.K.) LIMITED	EXCELPOINT INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	Affiliates	Sales	478,864	4	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	136,507	4	
EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	6,219	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	2,184,015	68	
FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DO BRASIL LTDA	Affiliates	Sales	108,926	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	14,246	-	Note
FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	38,963,417	40	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	3,099,832	7	Note
FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	3,544,531	4	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	Note
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS AUSTRIA GMBH	Affiliates	Sales	762,123	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	202,237	-	Note
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	385,691	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	Note
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	Sales	5,126,019	5	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	392,547	-	Note
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD.	Affiliates	Sales	726,767	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	169,901	-	Note
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Sales	1,183,208	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	412,709	-	Note
FUTURE ELECTRONICS LIMITED	FE TRADING PTY LTD.	Affiliates	Sales	110,693	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	36,327	-	Note
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS SCHWEIZ GMBH	Affiliates	Sales	408,576	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	82,275	-	Note
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Affiliates	Sales	350,021	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	134,519	-	Note

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	$ 767,275	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	($ 147,458)	1	Note
FUTURE ELECTRONICS (HONG KONG) LIMITED	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	457,757	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(35,481)	-	Note
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	2,644,429	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	239,045	-	Note
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS LIMITED	Affiliates	Sales	278,783	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	Note
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	12,172,681	12	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(163,297)	1	Note
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS KABUSHIKI KAISHA	Affiliates	Sales	444,615	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	83,132	-	Note
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC.	Affiliates	Sales	619,712	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	120,275	-	Note
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE TAIWAN ADVANCED ELECTRONICS PTE LTD.	Affiliates	Sales	127,454	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	24,731	-	Note
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ADVANCED ELECTRONICS LIMITED	Affiliates	Purchases	3,916,381	4	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(113,715)	1	Note
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	2,785,317	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(1,243,997)	11	Note
FUTURE ELECTRONICS (CDA) LTD.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	34,550,320	35	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(2,953,816)	27	Note

Note: The transactions between FUTURE ELECTRONICS INC. and associates started from the business combinabion date.

WT Microelectronics Co., Ltd. and subsidiaries

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

December 31, 2024

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2024	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	$ 21,490,581	11.82	$ -		$ -	$ -
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	11,569,544	6.89	-		1,949,171	-
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Affiliates	3,771,393	4.20	-		641,415	-
WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	671,221	3.71	-		-	-
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	4,195,042	5.86	-		-	-
WT MICROELECTRONICS CO., LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	113,688	1.80	113,688	Collection after the period	-	-
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	Affiliates	810,742	5.28	384,284	Collection after the period	217,905	-
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS CO., LTD.	Affiliates	973,564	8.50	-		-	-
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	681,427	5.68	-		-	-
NUVISION TECHNOLOGY INC.	WT TECHNOLOGY PTE. LTD.	Affiliates	155,190	6.49	-		-	-
NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	366,931	3.94	-		-	-
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	224,530	4.59	-		-	-
MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	442,920	3.02	-		-	-
MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	10,249,506	19.86	-		398,819	-
MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	761,187	3.22	-		-	-
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	925,606	2.45	-		-	-
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	4,516,647	2.38	-		-	-
WT MICROELECTRONICS (SHANGHAI) CO., LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	253,118	2.86	-		41,084	-
TECHMOSA INTERNATIONAL INC.	WT MICROELECTRONICS CO., LTD.	Affiliates	252,989	3.26	-		-	-
TECHMOSA INTERNATIONAL INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	115,504	2.91	-		-	-
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	1,578,999	1.98	-		-	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2024	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	$ 247,986	59.13	$ -		$ -	$ -
WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	618,446	3.97	-		-	-
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	102,364	4.50			-	-
EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	133,146	4.60	-		130,695	-
EXCELPOINT SYSTEMS (H.K.) LIMITED	EXCELPOINT INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	Affiliates	136,507	1.14	-		-	-
EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	2,184,015	0.01	66,481	Collection after the period	-	-
FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	3,099,832	25.14	-		-	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS AUSTRIA GMBH	Affiliates	202,237	7.54	-		-	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	392,547	26.12	-		-	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD.	Affiliates	169,901	8.56	-		-	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	412,709	5.73	-		-	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Affiliates	134,519	5.20	-		-	-
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	239,045	22.12	-		-	-
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC.	Affiliates	120,275	10.30	-		-	-
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS LIMITED	Affiliates	147,458	10.41	-		-	-
FUTURE ELECTRONICS (HONG KONG) LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	163,297	149.09			-	-
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	1,243,997	4.48	-		-	-
FUTURE ADVANCED ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	113,715	68.88	-		-	-
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS (CDA) LTD.	Affiliates	2,953,816	23.39	-		-	-

Note: For information on loans between the Company and subsidiaries, refer to table 1.

WT Microelectronics Co., Ltd. and subsidiaries

Significant inter-company transactions during the reporting period

Year ended December 31, 2024

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)			
				General ledger account	Amount	Transaction terms	Percentage of total operating revenues or total assets (Note 5)
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Sales	$ 127,000,824	(Note 3)	13
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Accounts receivable	21,490,581	(Note 3)	5
0	WT MICROELECTRONICS CO., LTD.	TECHMOSA INTERNATIONAL INC.	Affiliates	Sales	112,157	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	MAXTEK TECHNOLOGY CO., LTD.	Affiliates	Sales	279,310	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	82,937,451	(Note 3)	9
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	11,569,544	(Note 3)	3
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	10,996,700	(Note 3)	1
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Affiliates	Accounts receivable	3,771,393	(Note 3)	1
0	WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	Sales	2,421,826	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	Accounts receivable	671,221	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	18,152,135	(Note 3)	2
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	4,195,042	(Note 3)	1
0	WT MICROELECTRONICS CO., LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Sales	102,546	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Accounts receivable	113,688	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WONCHANG SEMICONDUCTOR CO., LTD.	Affiliates	Sales	247,863	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	Affiliates	Sales	3,665,051	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	Affiliates	Accounts receivable	810,742	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	LEADER'S TECHNOLOGY CO., LTD.	Affiliates	Sales	593,831	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Purchases	3,749,107	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Affiliates	Purchases	5,790,165	(Note 3)	1
0	WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Affiliates	Accounts payable	973,564	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	TECHMOSA INTERNATIONAL INC.	Affiliates	Purchases	807,213	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	TECHMOSA INTERNATIONAL INC.	Affiliates	Accounts payable	252,989	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	MAXTEK TECHNOLOGY CO., LTD.	Affiliates	Purchases	1,270,015	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	HONGTECH ELECTRONICS CO., LTD.	Affiliates	Purchases	713,211	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Purchases	478,107	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Purchases	196,901	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	2,964,836	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT TECHNOLOGY PTE. LTD.	Affiliates	Accounts receivable	155,190	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	3,351,466	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	681,427	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	Sales	1,523,883	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	Accounts receivable	366,931	(Note 3)	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)			Percentage of total operating revenues or total assets (Note 5)
				General ledger account	Amount	Transaction terms	
1	NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	$ 830,609	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	224,530	(Note 3)	-
2	MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	1,826,755	(Note 3)	-
2	MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	442,920	(Note 3)	-
2	MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	Sales	278,788,883	(Note 3)	29
2	MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	10,249,506	(Note 3)	2
2	MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	1,226,237	(Note 3)	-
2	MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	761,187	(Note 3)	-
2	MORRIHAN INTERNATIONAL CORP.	WT TECHNOLOGY KOREA CO., LTD.	Affiliates	Sales	151,512	(Note 3)	-
2	MORRIHAN INTERNATIONAL CORP.	ANALOG WORLD CO., LTD.	Affiliates	Sales	744,016	(Note 3)	-
2	MORRIHAN INTERNATIONAL CORP.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	100,585	(Note 3)	-
3	TECHMOSA INTERNATIONAL INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	472,243	(Note 3)	-
3	TECHMOSA INTERNATIONAL INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	115,504	(Note 3)	-
4	MAXTEK TECHNOLOGY CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Sales	123,031	(Note 3)	-
5	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	1,133,633	(Note 3)	-
5	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Accounts receivable	925,606	(Note 3)	-
5	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	5,365,215	(Note 3)	1
5	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Accounts receivable	4,516,647	(Note 3)	1
5	WT MICROELECTRONICS (HONG KONG) LIMITED	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	174,378	(Note 3)	-
6	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	361,544	(Note 3)	-
6	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Accounts receivable	253,118	(Note 3)	-
7	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	1,563,492	(Note 3)	-
7	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	1,578,999	(Note 3)	-
7	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	1,367,162	(Note 3)	-
7	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	7,331,807	(Note 3)	1
7	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Accounts receivable	247,986	(Note 3)	-
7	WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	261,478	(Note 3)	-
7	WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Sales	1,226,958	(Note 3)	-
7	WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Accounts receivable	618,446	(Note 3)	-
7	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	Sales	230,360	(Note 3)	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)			
				General ledger account	Amount	Transaction terms	Percentage of total operating revenues or total assets (Note 5)
7	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	Accounts receivable	$ 102,364	(Note 3)	-
7	WT MICROELECTRONICS SINGAPORE PTE. LTD.	ANALOG WORLD CO., LTD.	Affiliates	Sales	136,996	(Note 3)	-
7	WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Purchases	1,878,167	(Note 3)	-
8	WINTECH MICROELECTRONICS LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	134,326	(Note 3)	-
9	EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	710,099	(Note 3)	-
9	EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	306,393	(Note 3)	-
9	EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Accounts receivable	133,146	(Note 3)	-
9	EXCELPOINT SYSTEMS (H.K.) LIMITED	EXCELPOINT INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	Affiliates	Sales	478,864	(Note 3)	-
9	EXCELPOINT SYSTEMS (H.K.) LIMITED	EXCELPOINT INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	Affiliates	Accounts receivable	136,507	(Note 3)	-
9	EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	2,184,015	(Note 3)	1
10	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DO BRASIL LTDA	Affiliates	Sales	108,926	(Note 3)	-
10	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	38,963,417	(Note 3)	4
10	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Accounts receivable	3,099,832	(Note 3)	1
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS AUSTRIA GMBH	Affiliates	Sales	762,123	(Note 3)	-
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS AUSTRIA GMBH	Affiliates	Accounts receivable	202,237	(Note 3)	-
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	385,691	(Note 3)	-
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Accounts payable	147,458	(Note 3)	-
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	Sales	5,126,019	(Note 3)	1
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	Accounts receivable	392,547	(Note 3)	-
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD	Affiliates	Sales	726,767	(Note 3)	-
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD	Affiliates	Accounts receivable	169,901	(Note 3)	-
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Sales	1,183,208	(Note 3)	-
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Accounts receivable	412,709	(Note 3)	-
11	FUTURE ELECTRONICS LIMITED	FE TRADING PTY LTD.	Affiliates	Sales	110,693	(Note 3)	-
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS SCHWEIZ GMBH	Affiliates	Sales	408,576	(Note 3)	-
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Affiliates	Sales	350,021	(Note 3)	-
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Affiliates	Accounts receivable	134,519	(Note 3)	-
12	FUTURE ELECTRONICS (HONG KONG) LIMITED	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	457,757	(Note 3)	-
13	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	2,644,429	(Note 3)	-
13	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Accounts receivable	239,045	(Note 3)	-
13	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS LIMITED	Affiliates	Sales	278,783	(Note 3)	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)			
				General ledger account	Amount	Transaction terms	Percentage of total operating revenues or total assets (Note 5)
13	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	$ 12,172,681	(Note 3)	1
13	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts payable	163,297	(Note 3)	-
13	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS KABUSHIKI KAISHA	Affiliates	Sales	444,615	(Note 3)	-
13	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC.	Affiliates	Sales	619,712	(Note 3)	-
13	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC.	Affiliates	Accounts receivable	120,275	(Note 3)	-
13	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE TAIWAN ADVANCED ELECTRONICS PTE LTD.	Affiliates	Sales	127,454	(Note 3)	-
10	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	3,544,531	(Note 3)	-
11	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	767,275	(Note 3)	-
13	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ADVANCED ELECTRONICS LIMITED	Affiliates	Purchases	3,916,381	(Note 3)	-
13	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ADVANCED ELECTRONICS LIMITED	Affiliates	Accounts payable	113,715	(Note 3)	-
13	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	2,785,317	(Note 3)	-
13	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Accounts payable	1,243,997	(Note 3)	-
15	FUTURE ELECTRONICS (CDA) LTD.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	34,550,320	(Note 3)	4
15	FUTURE ELECTRONICS (CDA) LTD.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Accounts payable	2,953,816	(Note 3)	1

Note 1: The information of transactions between the Company and the consolidated subsidiaries should be noted in “Number” column.

(1) Number 0 represents the Company.

(2) The consolidated subsidiaries are numbered in order from number 1.

Note 2: The transaction relationships with the counterparties are as follows:

(1) The Company to the consolidated subsidiary.

(2) The consolidated subsidiary to the Company.

(3) The consolidated subsidiary to another consolidated subsidiary.

Note 3: The prices and terms to related parties were similar to third parties. The credit term is 90 days after the end of each month.

Note 4: For sales, purchases and accounts receivable, transactions reaching NT$100 million or 20% of paid-in capital or more should be disclosed.

Note 5: In calculating the ratio, the transaction amount is divided by consolidated total assets for balance sheet accounts and is divided by consolidated total revenues for income statement accounts.

Note 6: Information of loans between the Company and subsidiaries, please refer to table 1.

WT Microelectronics Co., Ltd. and subsidiaries

Names, locations and other information of investee companies (not including investees in Mainland China)

Year ended December 31, 2024

Table 8

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2024			Net profit (loss) of the investee for the year ended December 31, 2024	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Footnote
				Balance at December 31, 2024	Balance at December 31, 2023	Number of shares	Ownership (%)	Book value			
WT MICROELECTRONICS CO., LTD.	WINTECH MICROELECTRONICS HOLDING LIMITED	British Virgin Islands	Holding company	$ 157,789	$ 2,520,875	4,031,160	100.00	$ 8,732,950	$ 382,805	$ 383,221	Subsidiary
WT MICROELECTRONICS CO., LTD.	TECHMOSA INTERNATIONAL INC.	Taiwan	Sales of electronic components	1,781,829	1,781,829	73,949,070	100.00	2,863,367	634,418	634,418	Subsidiary
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Taiwan	Sales of electronic components	15,106,620	15,106,620	523,760,000	100.00	19,442,924	1,887,333	1,887,333	Subsidiary
WT MICROELECTRONICS CO., LTD.	BSI SEMICONDUCTOR PTE. LTD.	Singapore	Holding company	486,289	486,289	7,544,002	100.00	855,187	330	330	Subsidiary
WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Taiwan	Sales of electronic components	323,751	323,751	28,227,197	100.00	1,530,081	381,560	381,560	Subsidiary
WT MICROELECTRONICS CO., LTD.	MILESTONE INVESTMENT CO., LTD.	Taiwan	General investment	61,985	61,985	4,500,000	100.00	114,271	9,579	9,579	Subsidiary
WT MICROELECTRONICS CO., LTD.	SINYIE INVESTMENT CO., LTD.	Taiwan	General investment	52,000	52,000	2,900,000	100.00	36,667	120	120	Subsidiary
WT MICROELECTRONICS CO., LTD.	MSD HOLDINGS PTE. LTD.	Singapore	Sales of electronic components	112,745	215,559	200,001	100.00	150,457	7,014	7,014	Subsidiary
WT MICROELECTRONICS CO., LTD.	MAXTEK TECHNOLOGY CO., LTD.	Taiwan	Sales of electronic components	1,895,949	1,895,949	70,220,331	100.00	1,919,242	265,646	265,646	Subsidiary
WT MICROELECTRONICS CO., LTD.	ANALOG WORLD CO., LTD.	South Korea	Sales of electronic components	397,230	397,230	120,000	100.00	444,168	(48,637)	(33,634)	Subsidiary
WT MICROELECTRONICS CO., LTD.	WT SEMICONDUCTOR HOLDINGS PTE. LTD.	Singapore	Holding company	4,057,274	4,057,274	96,318,912	80.00	3,901,945	(401,705)	(321,364)	Subsidiary
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY (H.K.) LIMITED	Hong Kong	Sales of electronic components	4,808	4,808	1,000,000	100.00	5,071	(101)	(101)	Subsidiary
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Hong Kong	Sales of electronic components	402,761	402,761	12,527,632	100.00	860,807	202,284	202,284	Subsidiary
WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Hong Kong	Sales of electronic components	451,386	451,386	110,000,000	100.00	587,072	38,218	38,218	Subsidiary
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Singapore	Sales of electronic components	128,849	128,849	1,500,000	100.00	1,001,619	617,284	617,284	Subsidiary
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Singapore	Sales of electronic components	156,727	156,727	5,000,000	100.00	167,540	525	525	Subsidiary
WT MICROELECTRONICS CO., LTD.	FUTURE ELECTRONICS INC.	Canada	Sales of electronic components	63,359,854	-	51	51.00	65,113,508	3,495,532	1,666,261	Subsidiary
WINTECH MICROELECTRONICS HOLDING LIMITED	PROMISING INVESTMENT LIMITED	Mauritius	General investment	1,002,449	1,002,449	30,632,506	100.00	878,071	11,435	Note 1	Subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2024			Net profit (loss) of the investee for the year ended December 31, 2024	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Footnote
				Balance at December 31, 2024	Balance at December 31, 2023	Number of shares	Ownership (%)	Book value			
WINTECH MICROELECTRONICS HOLDING LIMITED	WINTECH INVESTMENT CO., LTD.	Belize	General investment	$ 687,911	$ 687,911	21,020,957	100.00	$ 1,074,111	$ 22,301	Note 1	Subsidiary
WINTECH MICROELECTRONICS HOLDING LIMITED	WINTECH MICROELECTRONICS LTD.	Belize	Sales of electronic components	98,178	98,178	3,000,100	100.00	(522,110)	(174,746)	Note 1	Subsidiary
WINTECH MICROELECTRONICS HOLDING LIMITED	JCD OPTICAL (CAYMAN) CO., LTD.	Cayman Islands	Holding company	77,686	77,686	5,869,093	16.94	18,621	(25,909)	Note 1	Associates
WINTECH MICROELECTRONICS HOLDING LIMITED	JOY CAPITAL LTD.	Seychelles	General investment	39,270	39,270	1,200,000	17.65	12,318	(3,240)	Note 1	Associates
WINTECH MICROELECTRONICS HOLDING LIMITED	RAINBOW STAR GROUP LIMITED	British Virgin Islands	General investment	32,725	32,725	18,924	24.65	673	(69,870)	Note 1	Associates
PROMISING INVESTMENT LIMITED	NINO CAPITAL CO., LTD.	Samoa	Holding company	10,177	10,177	311,000	100.00	40,252	5,327	Note 1	Subsidiary
PROMISING INVESTMENT LIMITED	RICH WEB LTD.	British Virgin Islands	Holding company	751,838	751,838	22,974,430	100.00	746,537	6,149	Note 1	Subsidiary
WINTECH INVESTMENT CO., LTD.	WT MICROELECTRONICS (MALAYSIA) SDN. BHD.	Malaysia	Selling and technology servicing	3,661	3,661	500,000	100.00	3,051	458	Note 1	Subsidiary
WINTECH INVESTMENT CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	South Korea	Sales of electronic components	595,821	595,821	3,800,000	95.47	953,808	8,183	Note 1	Subsidiary
ANALOG WORLD CO., LTD.	LEADER'S TECHNOLOGY CO., LTD.	South Korea	Sales of electronic components	197,699	197,699	10,000	100.00	180,298	15,509	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	BRILLNICS INC.	Cayman Islands	Holding company	1,275,097	1,275,097	49,336,630	60.34	379,056	442,430	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (THAILAND) LIMITED.	Thailand	Selling and technology servicing	2,893	2,893	300,000	100.00	2,652	586	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS INDIA PRIVATE LIMITED	India	Selling and technology servicing	2,745	2,745	700,000	100.00	5,000	3,290	Note 1	Subsidiary
MORRIHAN INTERNATIONAL CORP.	ASIA LATEST TECHNOLOGY LIMITED	Mauritius	Holding company	37,771	37,771	1,120,000	100.00	45,696	397	Note 1	Subsidiary
MORRIHAN INTERNATIONAL CORP.	FUTURE ELECTRONICS INC.	Canada	Sales of electronic components	60,875,143	-	49	49.00	62,560,037	3,495,532	Note 1	Subsidiary
BSI SEMICONDUCTOR PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD.	South Korea	Sales of electronic components	56,762	56,762	180,472	4.53	30,516	8,183	Note 1	Subsidiary
BSI SEMICONDUCTOR PTE. LTD.	WONCHANG SEMICONDUCTOR CO., LTD.	South Korea	Sales of electronic components	25,666	25,666	53,505	100.00	200,442	(14,155)	Note 1	Subsidiary
TECHMOSA INTERNATIONAL INC.	MORRIHAN SINGAPORE PTE. LTD.	Singapore	Sales of electronic components	210,451	210,451	7,000,000	100.00	2,842,211	603,794	Note 1	Subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2024			Net profit (loss) of the investee for the year ended December 31, 2024	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Footnote
				Balance at December 31, 2024	Balance at December 31, 2023	Number of shares	Ownership (%)	Book value			
MAXTEK TECHNOLOGY CO., LTD.	HONGTECH ELECTRONICS CO., LTD.	Taiwan	Sales of electronic components	$ 115,000	$ 115,000	11,500,000	100.00	$ 340,221	$ 110,221	Note 1	Subsidiary
MAXTEK TECHNOLOGY CO., LTD.	LACEWOOD INTERNATIONAL CORP.	British Virgin Islands	Sales of electronic components	194,366	194,366	29,500	100.00	107,288	5,266	Note 1	Subsidiary
BRILLNICS INC.	BRILLNICS (HK) LIMITED	Hong Kong	Selling and technology servicing	2,094,825	2,094,825	64,013,000	100.00	660,429	458,419	Note 1	Subsidiary
BRILLNICS INC.	BRILLNICS SINGAPORE PTE. LTD.	Singapore	Manufacture of electronic components	24,544	24,544	750,002	100.00	-	(13,110)	Note 1	Subsidiary
BRILLNICS (HK) LIMITED	BRILLNICS JAPAN INC.	Japan	Research and development company	20,730	20,730	100,000	100.00	33,788	10,871	Note 1	Subsidiary
BRILLNICS (HK) LIMITED	BRILLNICS (TAIWAN) INC.	Taiwan	Research and development company	16,694	16,694	1,669,410	100.00	47,057	8,594	Note 1	Subsidiary
WT SEMICONDUCTOR HOLDINGDS PTE. LTD.	EXCELPOINT TECHNOLOGY PTE. LTD.	Singapore	Holding company	5,423,808	5,423,808	120,398,640	100.00	4,877,720	(360,504)	Note 1	Subsidiary

Note 1: Profit (loss) of investee has been included in the investor, and will not be disclosed separately.

Note 2: Because the foreign holding investee companies prepare consolidated financial statements only, which the Company has significant influence or control, directly or indirectly, is only disclosed to the level of the holding company.

WT Microelectronics Co., Ltd. and subsidiaries

Information on investments in Mainland China

Year ended December 31, 2024

Table 9

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Net income of investee for the year ended December 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2024 (Note 2)	Book value of investment in Mainland China as of December 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
SHANGHAI WT MICROELECTRONICS CO., LTD.	International trade, entrepot trade and etc.	$ 9,818	2	$ 9,818	$ -	$ -	$ 9,818	$ 5,328	100.00	$ 5,328	$ 40,172	$ -	Note 5
WT MICROELECTRONICS (SHENZHEN) CO., LTD.	International trade, entrepot trade and etc.	750,270	2	688,220	-	-	688,220	6,149	100.00	6,149	746,422	-	Note 6
WT MICROELECTRONICS (SHANGHAI) CO., LTD.	International trade	1,150,284	2	626,684	-	-	626,684	298,917	100.00	298,917	2,069,870	-	Note 7
WT MICROELECTRONICS (SHANGHAI) TECHNOLOGY CO., LTD.	Technical service, international trade, entrepot trade and etc.	43,524	3	32,725	-	-	32,725	397	100.00	397	45,687	-	Note 4
JCD OPTICAL CORPORATION	Production and sales of optoelectronic materials and components	166,898	2	21,730	-	-	21,730	(23,682)	16.94	(4,012)	10,569	-	Note 8
SYNERGY ELECTRONICS (SHENZHEN) CO., LTD.	International trade, entrepot trade and etc.	8,430	2	-	-	-	-	(6,004)	80.00	(4,803)	(309,788)	-	Note 9
EXCELPOINT INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	International trade, entrepot trade and etc.	49,088	2	-	-	-	-	3,220	80.00	2,576	(240,598)	-	Note 9
FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	International trade, entrepot trade and etc.	78,540	2	-	-	-	-	4,149	100.00	4,149	58,049	-	Note 10

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note 3)
WT MICROELECTRONICS CO., LTD.	$ 1,379,177	$ 4,323,935	$ 62,317,963

Note 1: The investment methods are classified into the following six categories:

(1) Directly investing in Mainland China.

(2) Through investing in companies in the third area, which then invested in the investee in Mainland China.

(3) Others.

Note 2: Investment gains or losses were recognised based on audited financial statements.

Note 3: The amount disclosed was 60% of net assets and based on Investment Commission, MOEA Regulation No. 09704604680 announced on August 29, 2008.

Note 4: This is a China subsidiary which was reinvested through the company in the third area when MORRIHAN INTERNATIONAL CORP. was acquired in September 2009.

Note 5: This is a China company which was invested through the company, NINO CAPITAL CO., LTD., in the third area.

Note 6: This is a China company which was invested through the company, RICH WEB LTD., in the third area.

Note 7: This is a China company which was reinvested through the company, WINTECH MICROELECTRONICS HOLDING LIMITED, in the third area.

Note 8: This is a China company which was reinvested through the company, JCD OPTICAL (CAYMAN) CO., LTD., in the third area.

Note 9: This is a China company which was reinvested through the company, EXCELPOINT SYSTEMS (H.K.) LIMITED, in the third area.

Note 10: This is a China subsidiary which was reinvested through the company in the third area when FUTURE ELECTRONICS INC. was acquired in April 2024.

WT Microelectronics Co., Ltd. and subsidiaries

Major shareholders information

December 31, 2024

Table 10

Name of major shareholders	Shares	
	Name of shares held	Ownership (%)
ASMEDIA TECHNOLOGY INC.	196,720,421	15.71%
WPG HOLDINGS LIMITED	177,371,338	14.16%
SHAO YANG INVESTMENT CO., LTD.	86,590,066	6.91%

Note 1: The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preferred stock in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements may differ from the actual number of shares issued in dematerialised form because of a different calculation basis.

Note 2: If the aforementioned data contains shares which were held in trust by the shareholders, the data disclosed is the settlor's separate account for the fund set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10% in accordance with Securities and Exchange Act, the shares include the self-owned shares and shares held in trust, and at the same time, the shareholder has the power to decide how to allocate the trust assets. The information on the reported share equity of insider is provided in the "Market Observation Post System".

Note 3: As of December 31, 2024, the number of shares held by the chairman under his own name and under the names of others was 136,755,553 shares, and the shareholding ratio was 10.92%. The abovementioned information is provided in the "Market Observation Post System".

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