

Giantplus Technology Co., Ltd.

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

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Giantplus Technology Co., Ltd.

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, the financial performance and the cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

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

Occurrence of Sales Revenue

Description of Key Audit Matter

The Company's revenue for the year ended December 31, 2025 decreased compared with the year ended December 31, 2024. However, revenue from certain major customers increased significantly, and the related days outstanding were relatively long. In view of the inherent higher risk associated with revenue recognition and the possibility that management may have pressure to achieve expected financial targets, we identified the occurrence of sales revenue from major customers that met the above indicators as a key audit matter. For the accounting policies and related disclosures revenue recognition, please refer to Notes 4 and 21 to the financial statements.

How our audit addressed the matter

We performed the following key audit procedures on the aforementioned sales revenue from the major customers:

1. Internal control procedures related to sales transactions

We obtained an understanding of the Company's internal control system and procedures related to sales transactions. Based on such understanding, we designed and performed internal control testing procedures to evaluate and test whether the sales-related internal controls operated effectively in response to the risks associated with these customers.

2. Substantive testing of the occurrence of sales revenue

We selected samples of sales revenue to the major customers from the sales ledger and examined supporting documents, including sales orders, bills of lading/ proof of delivery (signed delivery documents), sales invoices, and evidence of collection, to verify the occurrence of the related sales revenue.

3. Analytical procedures

We performed analytical procedures by comparing the current year's revenue and accounts receivable turnover days with those of the prior year and with the customers' credit terms, and assessed the reasonableness of the variances.

Other Matter

The parent company only financial statements of the Company for the year ended December 31, 2024, were audited by other independent auditors who expressed an unmodified opinion on those statements on March 12, 2025.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, conducted in accordance with the standards on Auditing of the Republic of China will always detect a material individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation..
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the 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 financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chun-Ming Hsueh and Sheng-Hsiung Yao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2026

Notice to Readers

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

For the convenience of readers, the independent 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. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

GIANTPLUS TECHNOLOGY CO., LTD.

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

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 2,046,495	15	\$ 1,930,684	13
Financial assets at amortized cost -current (Notes 4, 8 and 29)	28,071	-	-	-
Notes receivable (Notes 4 and 9)	105	-	-	-
Accounts receivable (Notes 4, 9 and 21)	1,283,666	9	1,446,159	10
Accounts receivable - related parties (Notes 4, 9,21 and 28)	134,766	1	127,616	1
Other receivables (Notes 4, 9 and 28)	59,451	-	91,746	-
Current income tax assets (Notes 4 and 23)	3,973	-	10,262	-
Inventories (Notes 4 and 10)	1,199,146	9	1,290,649	9
Prepayments (Note 15)	86,029	1	116,806	1
Other current assets (Notes 15 and 28)	20,918	-	40,074	-
Total current assets	4,862,620	35	5,053,996	34
NONCURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current	-	-	-	-
Investments accounted for using the equity method (Notes 4, and 11)	3,997,821	29	4,308,758	30
Property, plant and equipment (Notes 4, 12, 28 and 29)	4,657,839	33	4,814,078	33
Right-of-use assets (Notes 4 and 13)	3,373	-	1,453	-
Intangible assets (Notes 4 and 14)	293,536	2	340,928	2
Other non-current assets (Notes 4, 15, 19, 28 and 29)	171,312	1	135,043	1
Total non-current assets	9,123,881	65	9,600,260	66
TOTAL	\$ 13,986,501	100	\$ 14,654,256	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Financial liability at fair value through profit or loss-current (Notes 4 and 7)	\$ 888	-	\$ -	-
Contract liabilities (Notes 4, 21 and 28)	313,391	2	94,772	1
Accounts payable	1,121,244	8	1,208,106	8
Accounts payable - related parties (Note 28)	1,018,837	7	1,003,586	7
Other payables (Note 17)	710,102	5	831,349	6
Other payables- related parties (Note 28)	2,419,339	17	2,660,908	18
Current tax liabilities (Notes 4 and 23)	-	-	7,886	-
Provisions - current (Notes 4 and 18)	99,208	1	79,216	1
Lease liabilities - current (Notes 4 and 13)	1,494	-	760	-
Long-term borrowings, current portion (Notes 4,16 and 29)	192,634	2	274,301	2
Other current liabilities (Note 17)	41,837	-	40,832	-
Total current liabilities	5,918,974	42	6,201,716	43
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 4,16 and 29)	55,484	-	248,118	2
Non-current provisions (Notes 4 and 18)	95,238	1	95,238	-
Non-current lease liabilities (Notes 4 and 13)	1,910	-	714	-
Other non-current liabilities (Note 17)	76,879	1	127,956	1
Total non-current liabilities	229,511	2	472,026	3
Total liabilities	6,148,485	44	6,673,742	46
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 20)				
Share capital				
Ordinary shares	4,415,449	32	4,415,449	30
Capital surplus	2,618,982	19	2,618,982	18
Retained earnings				
Legal reserve	102,912	1	95,331	1
Special reserve	59,085	-	89,686	1
Unappropriated retained earnings	713,675	5	820,152	5
Total retained earnings	875,672	6	1,005,169	7
Other equity	(72,087)	(1)	(59,086)	(1)
Total equity attributable to owners of the Company				
Total equity	7,838,016	56	7,980,514	54
TOTAL	\$ 13,986,501	100	\$ 14,654,256	100

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

GIANTPLUS TECHNOLOGY CO., LTD.

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

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 21 and 28)	\$ 8,574,375	100	\$ 8,698,945	100
OPERATING COSTS (Notes 10, 22 and 28)	(8,188,845)	(96)	(8,458,282)	(97)
GROSS PROFIT	385,530	4	240,663	3
Unrealized profit from sales (Note 4)	(7)	-	(664)	-
Realized losses from sales (Note 4)	664	-	7,241	-
GROSS PROFIT, NET	386,187	4	247,240	3
OPERATING EXPENSES (Notes 9, 22 and 28)				
Selling and marketing expenses	(182,355)	(2)	(207,025)	(3)
General and administrative expenses	(225,935)	(3)	(231,081)	(3)
Research and development expenses	(184,925)	(2)	(184,311)	(2)
Expected credit losses	(3,608)	-	(29,263)	-
Total operating expenses	(596,823)	(7)	(651,680)	(8)
LOSS FROM OPERATIONS	(210,636)	(3)	(404,440)	(5)
NON-OPERATING INCOME AND EXPENSES (Notes 4, 9, 22 and 28):				
Interest income	29,455	-	32,996	-
Other income	212,618	2	353,129	4
Other gains and losses	(27,210)	-	(221,614)	(2)
Finance costs	(107,139)	(1)	(135,435)	(1)
Share of profit of subsidiaries	(28,536)	-	452,594	5
Reversal (loss) of expected credit losses	3,857	-	(6,459)	-
Total non-operating income and expenses	83,045	1	475,211	6
LOSS(INCOME) BEFORE INCOME TAX FROM CONTINUING OPERATIONS	(127,591)	(2)	70,771	1
INCOME TAX EXPENSE (Notes 4 and 23)	(3,950)	-	(3,654)	-
NET LOSS (INCOME) FOR THE YEAR	(131,541)	(2)	67,117	1
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 19 and 20)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	2,044	-	8,698	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(13,001)	-	30,601	-
Other comprehensive (loss) income for the year, net of income tax	(10,957)	-	39,299	-
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE YEAR	(142,498)	(2)	106,416	1
(LOSS) EARNINGS PER SHARE (Note 24)				
Basic	\$ (0.3)		\$ 0.15	
Diluted	\$ (0.3)		\$ 0.15	

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

GIANTPLUS TECHNOLOGY CO., LTD.

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

	Retained Earnings					Other Equity		Total Equity
	Share capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at FVTOCI	
BALANCE, JANUARY 1, 2024	\$ 4,415,449	\$ 2,618,982	\$ 71,836	\$ 80,104	\$ 821,569	\$ (43,651)	\$ (46,036)	\$ 7,918,253
Appropriation of 2023 earnings (Note 20)								
Legal reserve	-	-	23,495	-	(23,495)	-	-	-
Special reserve	-	-	-	9,582	(9,582)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(44,155)	-	-	(44,155)
Net income for the year ended December 31, 2024	-	-	-	-	67,117	-	-	67,117
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	8,698	30,601	-	39,299
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	75,815	30,601	-	106,416
BALANCE, DECEMBER 31, 2024	4,415,449	2,618,982	95,331	89,686	820,152	(13,050)	(46,036)	7,980,514
Appropriation of 2024 earnings (Note 20)								
Legal reserve	-	-	7,581	-	(7,581)	-	-	-
Special reserve	-	-	-	(30,601)	30,601	-	-	-
Net loss for the year ended December 31, 2025	-	-	-	-	(131,541)	-	-	(131,541)
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	2,044	(13,001)	-	(10,957)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	(129,497)	(13,001)	-	(142,498)
BALANCE, DECEMBER 31, 2025	\$ 4,415,449	\$ 2,618,982	\$ 102,912	\$ 59,085	\$ 713,675	\$ (26,051)	\$ (46,036)	\$ 7,838,016

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

GIANTPLUS TECHNOLOGY CO., LTD.

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

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) Income before income tax	\$ (127,591)	\$ 70,771
Adjustments for:		
Depreciation expense	319,542	299,250
Amortization expense	51,593	51,142
Reversal (loss) of expected credit losses	(249)	35,722
Net (gain) loss on fair value changes of financial assets at fair value through profit or loss	(101)	7,392
Finance costs	107,139	135,435
Interest income	(29,455)	(32,996)
Share of profit of subsidiaries	28,536	(452,594)
Gain on disposal of property, plant and equipment	(497)	(76)
Unrealized losses with subsidiaries	7	664
Realized gains with subsidiaries	(664)	(7,241)
Unrealized gain on foreign currency exchange	(9,560)	(7,945)
Changes in operating assets and liabilities:		
Notes receivable	(105)	-
Accounts receivable	158,885	(511,396)
Accounts receivable - related parties	(7,150)	(7,339)
Other receivables	36,152	(15,474)
Inventories	91,503	262,429
Prepayments	30,534	(31,672)
Other current assets	19,156	66,953
Net defined benefit assets	954	(11,283)
Financial liabilities held for trading	989	(7,392)
Contract liabilities	218,619	(59,222)
Account payables	(86,862)	80,092
Account payables to related parties	15,251	50,633
Other payables	(173,110)	37,275
Other payables to related parties	(3,454)	(9,630)
Provisions	19,992	46,726
Other current liabilities	(8,616)	(5,182)
Net defined benefit liabilities	-	8,378
Cash generated from operations	651,438	(6,580)
Interest received	29,455	32,996
Interest paid	(143,154)	(70,317)
Income tax paid	(5,547)	(27,396)
Net cash generated from (used in) operating activities	532,192	(71,297)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at amortized cost	(388,071)	-
Proceeds from disposal of financial assets at amortized cost	360,000	-
Acquisition of property, plant and equipment	(153,517)	(93,238)
Proceeds from disposal of property, plant and equipment	2,492	-
Acquisition of intangible assets	(2,525)	(97,572)
Increase in other non-current assets	(39,966)	-
Decrease in other non-current assets	-	35,503
Cash dividends received	269,100	-
Net cash generated from (used in) investing activities	47,513	(155,307)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of long-term borrowings	(274,301)	(274,301)
Increase in other payables to related parties	-	113,063
Decrease in other payables to related parties	197,948	-
Repayment of principal portions of leased liabilities	(1,251)	(703)
Increase in other non-current liabilities	46	-
Decrease in other non-current liabilities	-	(59)
Distribution of cash dividends	-	(44,155)
Net cash generated from financing activities	(473,354)	(206,155)
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	9,560	7,945
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	115,811	(424,814)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,930,684	2,355,498
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	\$ 2,046,495	\$ 1,930,684

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

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

1. GENERAL INFORMATION

Giantplus Technology Co., Ltd. (the “Company”) was incorporated on December 15, 1997, as a company limited by shares under the Company Act of the Republic of China (R.O.C.) The primary business scope of the Company includes the research, development, production and sale of thin film transistor liquid crystal displays (“TFT-LCDs”).

The Company’s common shares have been listed on the Taiwan Stock Exchange (TWSE) since December 27, 2006.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issued by the Company’s board of directors on March 13, 2026.

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

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

Amendments to IAS 21 “Lack of Exchangeability”

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

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

(a) The amendments to the application guidance of classification of financial assets

The amendments mainly amend the requirements for the classification of financial assets, including:

- i. If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,
 - In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and
 - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.
- ii. To clarify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- iii. To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

(b) The amendments to the application guidance of derecognition of financial liabilities

The amendments mainly stipulate that a financial liability is derecognized on the settlement date. However, when settling a financial liability in cash using an electronic payment system, the Company can choose to derecognize the financial liability before the settlement date if, and only if, the Company has initiated a payment instruction that resulted in:

- The Company having no practical ability to withdraw, stop or cancel the payment instruction;
- The Company having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- The settlement risk associated with the electronic payment system being insignificant.

An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

Except for the above-mentioned impacts, as of the date the financial statements were authorized for issue, the Company is continuously assessing the possible impact of the application of the amendments on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

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

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

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

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

IFRS 18 "Presentation and Disclosure in Financial Statements" and consequential amendments

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

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Company shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Company shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Company as a whole, the Company shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

In addition, the following corresponding amendments were made to IAS 7 "Statement of Cash Flows":

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

b. Basis of preparation

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

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

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

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

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

Current assets include:

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

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and
- 3) Liabilities for which the Company does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

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

d. Foreign currencies

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

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

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

For the purpose of presenting consolidated financial statements, the functional currencies of the Company and the Company (including subsidiaries and associates that use currency different from the currency of the Company) are translated into the presentation currency - the New Taiwan dollar as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income.

e. Inventories

Inventories consist of raw materials, supplies, work-in-process, finished goods and merchandise and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to Company similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at standard cost and adjusted to approximate weighted - average cost on the balance sheet date.

f. Investments in subsidiaries

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

A subsidiary is an entity that is controlled by the Company.

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

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

When the Company's share of losses of a subsidiary equals or exceeds its interest in the subsidiary (including the carrying amount of the investment accounted for using the equity method and other long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues to recognize its share of losses.

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

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

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

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

g. Property, plant and equipment

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

Property, plant and equipment in the course of construction for production are carried at cost, less any recognized impairment loss. Cost includes professional service fees and borrowing costs that are eligible for capitalization. These assets are transferred to the appropriate category of property, plant and equipment and depreciation commences when the assets are completed and ready for their intended use.

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

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

h. Intangible assets

1) Intangible assets acquired separately

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

2) Derecognition of intangible assets

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

i. Impairment of property, plant and equipment, right-of-use asset and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, right-of-use asset and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

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

j. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

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

i. Financial assets measured at amortized cost

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

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

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, notes receivable measured at amortized cost, accounts receivable (including related parties), other receivables excluding tax receivables, other receivables - related parties, financial assets measured at amortized cost, and refundable deposits, are measured at amortized cost, which equals to gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset, except for:

- i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset; and
- ii) Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

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

ii. Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including cash and cash equivalents, notes receivable measured at amortized cost, accounts receivable, accounts receivable - related parties, other receivables including related parties but excluding tax receivables, refundable deposits, and financial assets measured at amortized cost - current and non-current).

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

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

For internal credit risk management purposes, the Company determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Company):

- i. Internal or external information show that the debtor is unlikely to pay its creditors.
- ii. When a financial asset is more than 90 days past due unless the Company has reasonable and corroborative information to support a more lagged default criterion.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and does not reduce the carrying amount of the financial asset.

c) Derecognition of financial assets

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

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

2) Financial liabilities

a) Subsequent measurement

Except for the following situation, all financial liabilities are measured at amortized cost using the effective interest method.

Financial liabilities at FVTPL

A financial liability is classified as at FVTPL when such a financial liability is held for trading.

Financial liabilities held for trading are stated at fair value. The net gain or loss recognized in profit or loss. Fair value is determined in the manner described in Note 27.

b) Derecognition of financial liabilities

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

3) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

k. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

1) Onerous contracts

Onerous contracts are those in which the Company's unavoidable costs of meeting the contractual obligations exceed the economic benefits expected to be received from the contract. In assessing whether a contract is onerous, the cost of fulfilling a contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that are related directly to fulfilling contracts.

2) Decommissioning and restoration obligations

In accordance with the Company's published environmental policies and applicable legal requirements, the Company recognizes a provision for the restoration of contaminated land. The provision is measured at the present value of the best estimate of the future economic outflows required to settle the restoration obligation under relevant governmental regulations.

3) Provision for carbon fees

The provision for carbon fees is recognized in accordance with the Carbon Fee Collection Regulations and other relevant laws and regulations of Taiwan, and is measured at the best estimate of the expenditure required to settle the present obligation for the year.

l. Revenue recognition

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

Revenue from the sale of good

Revenue from the sale of goods comes from sales of liquid crystal display products. Sales of goods are recognized as revenue when the goods are delivered to the customer's specific location because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, and has the primary responsibility for sales to future customers and bears the risks of obsolescence. Revenues and accounts receivable are recognized concurrently. For sale of goods, the transaction price received is recognized as a contract liability until the goods are shipped.

The Company does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

m. Lease

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

1) The Company as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms. Lease modification that resulted from a negotiation with a lessee is accounted for as a new lease from the effective date of modification.

2) The Company as a lessee

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

Right-of-use assets are initially measured at cost, which is the initial measurement of lease liabilities. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which are the fixed payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When a change in the lease term results in a change in future lease payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the balance sheets.

n. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other than stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

o. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

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

p. Taxation

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

1) Current tax

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

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

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

2) Deferred tax

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

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

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

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

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

3) Current and deferred income tax

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Company considers the other impacts of inflation interest rate fluctuations, and US reciprocal tariffs on the cash flow projection, growth rates, discount rates, profitabilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Based on the assessment of the Company's management, the accounting policies, estimates, and assumptions adopted by the Company have not been subject to material accounting judgements, estimates and assumptions uncertainty.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2025	2024
Cash on hand and petty cash	\$165	\$171
Checking accounts and demand deposits	1,112,859	1,815,765
Cash equivalents (investments with original maturities of less than 3 months)		
Time deposits	933,471	114,748
	<u>\$2,046,495</u>	<u>\$1,930,684</u>

The market interest rate intervals of bank deposits at the end of the reporting period were as follows:

	December 31	
	2025	2024
Bank deposits	0.001%~4.03%	0.001%~4.65%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2025	2024
<u>Financial liabilities – current</u>		
Held for trading		
Derivative financial liabilities (not under hedge accounting)		
Foreign exchange forward contracts	<u>\$888</u>	<u>\$ -</u>

As of December 31, 2025, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	<u>Currency</u>	<u>Maturity Date</u>	<u>Contract Amount (In Thousands)</u>
<u>December 31, 2025</u>			
Sell forward exchange contracts	USD to TWD	2026.02.05	USD 8,000/ NTD 250,552

The Company entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

8. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2025	2024
<u>Current</u>		
Time deposits with original maturities of more than 3 months (a and b)	<u>\$28,071</u>	<u>\$ -</u>

(a) The ranges of interest rates for time deposits with original maturities of more than 3 months was 1.40% per annum as of December 31, 2025.

(b) Refer to Note 29 for information relating to investments in financial assets at amortized cost pledged as security.

9. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE, ACCOUNTS RECEIVABLE - RELATED PARTIES, AND OTHER RECEIVABLES

	December 31	
	2025	2024
<u>Notes receivable</u>		
At amortized cost		
Gross carrying amount	\$105	\$ -
Less: Allowance for impairment loss	-	-
	<u>\$105</u>	<u>\$ -</u>
Notes receivable - operating activities	<u>\$105</u>	<u>\$ -</u>

	December 31	
	2025	2024
<u>Accounts receivable</u>		
At amortized cost		
Gross carrying amount	\$1,393,378	\$1,543,823
Less: Allowance for impairment loss	(109,712)	(106,104)
	<u>\$1,283,666</u>	<u>\$1,437,719</u>
At FVTPL	-	8,440
	<u>\$1,283,666</u>	<u>\$1,446,159</u>

<u>Accounts receivable - related parties</u>		
At amortized cost		
Gross carrying amount	\$134,766	\$127,616
Less: Allowance for impairment loss	-	-
	<u>\$134,766</u>	<u>\$127,616</u>

	December 31	
	2025	2024
<u>Other receivables</u>		
Advances receivable	\$33,968	\$31,846
Tax receivable	20,703	20,540
Mold receivables	5,847	6,845
Factored accounts receivable	-	31,145
Others	1,535	7,829
Less: Allowance for impairment loss	(2,602)	(6,459)
	<u>\$59,451</u>	<u>\$91,746</u>

i. At amortized cost

The average credit period of sales of goods is 30 days to 120 days. No interest was charged on accounts receivable. In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Corporation's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are estimated using a provision matrix prepared by reference to the past default records of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the GDP forecasts and industry outlook. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

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

The following table details the loss allowance of accounts receivable (including related parties) based on the Group's provision matrix:

December 31, 2025							
	Not Past	Due 1 to 30	Days 31 to 60	Days 61 to 90	Days 91 to 180	Days Over 180	Total
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	51.87%	100%	
Gross carrying amount	\$1,272,315	\$131,992	\$12,168	\$1,956	\$2	\$109,711	\$1,528,144
Loss allowance (Lifetime ECLs)	-	-	-	-	(1)	(109,711)	(109,712)
Amortized cost	<u>\$1,272,315</u>	<u>\$131,992</u>	<u>\$12,168</u>	<u>\$1,956</u>	<u>\$1</u>	<u>\$ -</u>	<u>\$1,418,432</u>

December 31, 2024							
	Not Past	Due 1 to 30	Days 31 to 60	Days 61 to 90	Days 91 to 180	Days Over 180	Total
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	0.00%	100%	
Gross carrying amount	\$1,458,737	\$105,482	\$773	\$28	\$315	\$106,104	\$1,671,439
Loss allowance (Lifetime ECLs)	-	-	-	-	-	(106,104)	(106,104)
Amortized cost	<u>\$1,458,737</u>	<u>\$105,482</u>	<u>\$773</u>	<u>\$28</u>	<u>\$315</u>	<u>\$ -</u>	<u>\$1,565,335</u>

The movements of the loss allowance for other receivables were as follows:

	For the Year Ended December 31	
	2025	2024
Balance at January 1	\$106,104	\$76,841
Add: Impairment losses recognized for the current year	3,608	29,263
Balance at December 31	<u>\$109,712</u>	<u>\$106,104</u>

ii. At FVTPL

The Company entered into separate non-recourse factoring agreements with different financial institutions to sell its accounts receivable. Under the terms of the arrangement, substantially all of the risks and rewards associated with these accounts receivable are transferred upon sale; therefore, the receivables are derecognized from the balance sheet at the time of transfer.

The Company's business model for managing these receivables is neither to hold the financial assets in order to collect contractual cash flows nor to achieve the objective of both collecting contractual cash flows and selling financial assets. Accordingly, these accounts receivable are measured at fair value through profit or loss.

(a) Other receivables

The Company's other receivables primarily comprise reimbursement receivable, tax receivables and factored accounts receivable. The Company's policy is to transact only with counterparties that have good credit standing. The Company continuously monitors the credit status of counterparties by tracking their past delinquency records and assessing their current financial conditions in order to evaluate whether there has been a significant increase in credit risk since initial recognition and to measure expected credit losses on other receivables.

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

	December 31, 2025						Total
	Not Past	Due 1 to 30	Days 31 to 60	Days 61 to 90	Days 91 to 180	Days Over 180	
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	0.00%	100%	
Gross carrying amount	\$59,307	\$144	\$ -	\$ -	\$ -	\$2,602	\$62,053
Loss allowance (Lifetime ECLs)	-	-	-	-	-	(2,602)	(2,602)
Amortized cost	<u>\$59,307</u>	<u>\$144</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$59,451</u>

	December 31, 2024						Total
	Not Past	Due 1 to 30	Days 31 to 60	Days 61 to 90	Days 91 to 180	Days Over 180	
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	0.00%	100%	
Gross carrying amount	\$91,746	\$ -	\$ -	\$ -	\$ -	\$6,459	\$98,205
Loss allowance (Lifetime ECLs)	-	-	-	-	-	(6,459)	(6,459)
Amortized cost	<u>\$91,746</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$91,746</u>

The movements of the loss allowance for other receivables were as follows:

	For the Year Ended December 31	
	2025	2024
Balance at January 1	\$6,459	\$ -
Add: Impairment losses recognized for the current year	-	6,459
Less: Reversal of impairment losses for the current year	(3,857)	-
Balance at December 31	<u>\$2,602</u>	<u>\$6,459</u>

10. INVENTORIES

	December 31	
	2025	2024
Finished goods	\$825,268	\$879,313
Work in progress	192,370	268,328
Raw materials	163,306	143,008
Inventory in transit	18,202	-
	<u>\$1,199,146</u>	<u>\$1,290,649</u>

The components of cost of goods sold are as follows:

	For the Year Ended December 31	
	2025	2024
Cost of revenue	\$8,090,992	\$8,251,784
Unallocated manufacturing overheads	42,916	65,939
Inventory scrapped loss	54,937	93,833
Others	-	46,726
	<u>\$8,188,845</u>	<u>\$8,458,282</u>

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in subsidiaries

	December 31	
	2025	2024
<u>Unlisted companies</u>		
GIANTPLUS (SAMOA) HOLDING CO., LTD	<u>\$3,997,821</u>	<u>\$4,308,758</u>

The Company's ownership interests and voting rights in its subsidiaries as of the balance sheet date are as follows:

	Proportion of Ownership and Voting Rights	
	December 31	
Name of Subsidiaries	2025	2024
GIANTPLUS (SAMOA) HOLDING CO., LTD	100%	100%

For details of the Company's indirectly held subsidiaries, please refer to Table 5.

The investments in subsidiaries accounted for using equity method and the share of profit or loss and other comprehensive income of those investments for the years ended December 31, 2025 and 2024 were based on the subsidiaries' financial statements audited by the auditors for the same years.

12. PROPERTY, PLANT AND EQUIPMENT

Assets used by the Company

	Land	Building	Machinery and equipment	Other Equipment	Construction in Progress and Advance Payments	Total
<u>Cost</u>						
Balance at January 1, 2025	\$4,133,511	\$3,590,805	\$7,203,940	\$675,961	\$14,890	\$15,619,107
Additions	-	39,319	78,793	32,362	9,252	159,726
Disposals	-	(2,174)	(66,106)	(7,092)	-	(75,372)
Reclassified (Note)	-	1,370	15,834	1,040	(14,890)	3,354
Balance at December 31, 2025	<u>\$4,133,511</u>	<u>\$3,629,320</u>	<u>\$7,232,461</u>	<u>\$702,271</u>	<u>\$9,252</u>	<u>\$15,706,815</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2025	\$ -	\$3,270,231	\$6,904,634	\$630,164	\$ -	\$10,805,029
Depreciation expense	-	137,098	144,688	36,495	-	318,281
Disposals	-	(2,174)	(65,068)	(7,092)	-	(74,334)
Balance at December 31, 2025	<u>\$ -</u>	<u>\$3,405,155</u>	<u>\$6,984,254</u>	<u>\$659,567</u>	<u>\$ -</u>	<u>\$11,048,976</u>
Carrying amount at December 31, 2025	<u>\$4,133,511</u>	<u>\$224,165</u>	<u>\$248,207</u>	<u>\$42,704</u>	<u>\$9,252</u>	<u>\$4,657,839</u>
<u>Cost</u>						
Balance at January 1, 2024	\$4,133,511	\$3,577,040	\$7,125,723	\$649,712	\$55,225	\$15,541,211
Additions	-	16,688	43,687	32,247	13,140	105,762
Disposals	-	(2,923)	(19,325)	(5,998)	-	(28,246)
Reclassified (Note)	-	-	53,855	-	(53,475)	380
Balance at December 31, 2024	<u>\$4,133,511</u>	<u>\$3,590,805</u>	<u>\$7,203,940</u>	<u>\$675,961</u>	<u>\$14,890</u>	<u>\$15,619,107</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2024	\$ -	\$3,141,519	\$6,786,688	\$606,523	\$ -	\$10,534,730
Depreciation expense	-	131,635	137,271	29,639	-	298,545
Disposals	-	(2,923)	(19,325)	(5,998)	-	(28,246)
Balance at December 31, 2024	<u>\$ -</u>	<u>3,270,231</u>	<u>\$6,904,634</u>	<u>\$630,164</u>	<u>\$ -</u>	<u>\$10,805,029</u>
Carrying amount at December 31, 2024	<u>\$4,133,511</u>	<u>\$320,574</u>	<u>\$299,306</u>	<u>\$45,797</u>	<u>\$14,890</u>	<u>\$4,814,078</u>

Note: Reclassified from other non-current assets - prepayments for equipment.

The Company's property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	10 - 36 years
Renovations buildings	3 - 10 years
Machinery and equipment	1 - 12 years
Other equipment	2 - 6 years

Refer to Note 30 for commitments related to the acquisition of property, plant and equipment.

No impairment losses were recognized for the years ended December 31, 2025 and 2024.

The Company operating leases are leases of buildings with lease terms of 1 to 20 years. All operating lease agreements include terms requiring the rental payments to be adjusted based on market rental rates when renewal options are exercised by the lessees. The lessees do not have bargain purchase options to acquire the assets at the expiry of the lease periods.

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

	December 31	
	2025	2024
Year 1	\$54,324	\$55,757
Year 2	33,219	43,734
Year 3	32,876	24,805
Year 4	25,523	24,463
Year 5	11,947	24,082
More than Year 5	-	10,713
	<u>\$157,889</u>	<u>\$183,554</u>

Lease commitments with lease terms commencing after the balance sheet date are as follows:

	December 31	
	2025	2024
Lease commitments of property, plant and equipment	<u>\$25,562</u>	<u>\$ -</u>

13. LEASE ARRANGEMENTS

(a) Right-of-use assets

	December 31	
	2025	2024
Carrying amount		
Land (including land right-of-use assets)	\$342	\$513
Transportation equipment	2,600	496
Other equipment	431	444
	<u>\$3,373</u>	<u>\$1,453</u>

	For the Year Ended December 31	
	2025	2024
Additions to right-of-use assets	\$3,181	\$687
Depreciation charge for right-of-use assets		
Land (including land right-of-use assets)	\$171	\$171
Transportation equipment	605	191
Other equipment	485	343
	<u>\$1,261</u>	<u>\$705</u>

(b) Lease liabilities

	December 31	
	2025	2024
Carrying amount		
Current	\$1,494	\$760
Non-current	<u>\$1,910</u>	<u>\$714</u>

Ranges of discount rates for lease liabilities are as follows:

	December 31	
	2025	2024
Land	0.67%	0.67%
Transportation equipment	2.26%~2.44%	2.26%~2.44%
Other equipment	0.97%~2.56%	0.97%~0.98%

(c) Material leasing activities and terms

The Company leases land for the construction of plant buildings and leases transportation equipment, with lease terms ranging from 7 years. The Company also leases transportation equipment and other equipment with lease terms ranging from 3 to 5 years, and the lease payments are made in accordance with the contractual terms. At the end of the lease term, the Company does not have a bargain purchase option with respect to the leased assets. In addition, the lease agreements stipulate that the Company is not permitted to sublease or transfer all or any part of the leased assets without the consent of the lessor.

(d) Other lease information

	For the Year Ended December 31	
	2025	2024
Expenses relating to short-term leases	\$5,615	\$5,347
Expenses relating to low-value asset leases	\$152	\$185
Total cash outflow for leases	<u>\$7,073</u>	<u>\$6,258</u>

The Company leases qualify as short-term leases and qualifies as low-value asset leases. The Company has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

Lease commitments with lease terms commencing after the balance sheet date are as follows:

	December 31	
	2025	2024
Lease commitments	\$23,736	\$ -

14. INTANGIBLE ASSETS

	Computer Software	Patents	Total
<u>Cost</u>			
Balance at January 1, 2025	\$123,174	\$426,557	\$549,731
Additions	2,525	-	2,525
Reclassified (Note)	1,676	-	1,676
Balance at December 31, 2025	<u>\$127,375</u>	<u>\$426,557</u>	<u>\$553,932</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2025	\$119,443	\$89,360	\$208,803
Amortization expense	2,053	49,540	51,593
Balance at December 31, 2025	<u>\$121,496</u>	<u>\$138,900</u>	<u>\$260,396</u>
Carrying amount at December 31, 2025	<u>\$5,879</u>	<u>\$287,657</u>	<u>\$293,536</u>
<u>Cost</u>			
Balance at January 1, 2024	\$122,129	\$426,557	\$548,686
Additions	1,045	-	1,045
Balance at December 31, 2024	<u>\$123,174</u>	<u>\$426,557</u>	<u>\$549,731</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2024	\$117,841	\$39,820	\$157,661
Amortization expense	1,602	49,540	51,142
Balance at December 31, 2024	<u>\$119,443</u>	<u>\$89,360</u>	<u>\$208,803</u>
Carrying amount at December 31, 2024	<u>\$3,731</u>	<u>\$337,197</u>	<u>\$340,928</u>

Note: Reclassified from other non-current assets - prepayments for equipment.

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

Computer software	3 - 10 years
Patents	2 - 20 years

Aggregated amortization expenses according to functions:

	For the Year Ended December 31	
	2025	2024
Operating cost	\$42	\$35
Selling and marketing expenses	49,540	49,540
General and administrative expenses	1,239	786
Research and development expenses	772	781
	<u>\$51,593</u>	<u>\$51,142</u>

15. OTHER ASSETS

	December 31	
	2025	2024
<u>Current</u>		
Prepayments		
Inventory of supplies	\$69,776	\$74,915
Prepayments for insurance	8,128	8,305
Prepayments for suppliers	8,125	10,993
Other prepayments	-	22,593
	<u>\$86,029</u>	<u>\$116,806</u>
Other current assets		
Temporary payments	<u>\$20,918</u>	<u>\$40,074</u>
<u>Non-current</u>		
Other non-current assets		
Refundable deposits	\$91,094	\$118,728
Prepayments for equipment	66,994	5,032
Net defined benefit asset (Note 19)	12,373	11,283
Others	851	-
	<u>\$171,312</u>	<u>\$135,043</u>

16. BORROWINGS

Long-term borrowings

	December 31	
	2025	2024
Secured borrowings (Note 29)		
Bank borrowings	\$248,118	\$522,419
Less: Current portion	(192,634)	(274,301)
Long-term borrowings	<u>\$55,484</u>	<u>\$248,118</u>

The Company entered into medium- to long-term secured loan agreements with Chang Hwa Commercial Bank, with loan terms ranging from 5 to 10 years. The loans are repaid in installments of varying amounts in accordance with the repayment schedule. As of December 31, 2025 and 2024 the annual interest rates ranged from 1.93% to 2.13%, and the final maturity date of the loans is April 10, 2027.

17. OTHER PAYABLES

	December 31	
	2025	2024
<u>Current</u>		
Other payables		
Payables for salaries and bonuses	\$207,235	\$261,465
Payables for equipment (Note 25)	44,467	33,821
Payables for royalties	36,773	38,358
Payables for compensation of remuneration of directors	-	3,764
Payables for compensation of employees	-	753
Others	421,627	493,188
	<u>\$710,102</u>	<u>\$831,349</u>
Other liabilities		
Refund liabilities	\$15,172	\$21,914
Guarantee deposits	9,621	-
Agency receipts	9,615	11,248
Others	7,429	7,670
	<u>\$41,837</u>	<u>\$40,832</u>
<u>Non-current</u>		
Other liabilities		
Long-term payables	\$72,918	\$114,420
Guarantee deposits	3,961	13,536
	<u>\$76,879</u>	<u>\$127,956</u>

18. PROVISIONS

	December 31	
	2025	2024
<u>Current</u>		
Capacity reservation agreements (a)	\$79,216	\$79,216
Carbon fees (b)	19,992	-
	<u>\$99,208</u>	<u>\$79,216</u>
<u>Non-current</u>		
Site restoration provision (c)	<u>\$95,238</u>	<u>\$95,238</u>

	Capacity reservation agreements	Carbon fees	Site restoration provision	Total
Balance at January 1, 2025	\$79,216	\$ -	\$95,238	\$174,454
Additions for the year	-	19,992	-	19,992
Balance at December 31, 2025	<u>\$79,216</u>	<u>\$19,992</u>	<u>\$95,238</u>	<u>\$194,446</u>

(a) The provision for capacity reservation agreements arises from contracts entered into with suppliers stipulating prices and committed quantities. The provision is measured as the loss representing the excess of the unavoidable costs required to fulfill the contractual obligations over the economic benefits expected to be obtained from the contract.

(b) Since 2025, the Company has recognized the carbon liabilities in accordance with the Collection of Carbon Fees of the ROC. The Company obtained approval for its voluntary emissions reduction plan from the competent authority on March 2, 2026 and is expected to submit the progress report for the execution of the 2025 voluntary reduction plan by April 30, 2026. Accordingly, the carbon fee provision is measured based on the preferential rate applicable to the Company.

(c) In April 2017, the Company purchased land that carries restoration obligations. As this liability is long-term in nature, the greatest uncertainty relates to the future restoration costs that will be incurred. The Company assumes that currently available technologies and materials will be used in performing the restoration work. Accordingly, the estimated total restoration costs reflect various assumptions regarding changes in the relevant technologies and specific cost components, and such restoration costs are expected to be incurred gradually in future periods.

19. RETIREMENT BENEFIT PLANS

(a) Defined contribution plans

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

(b) Defined benefit plans

The defined benefit plan adopted by the Company in accordance with the Labor Standards Act is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. The application filed by the "The application filed by the Company to suspend pension contributions from May 2025 to April 2026 was approved by the competent authority. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy.

The amounts in the balance sheets in respect of the Company's defined benefit plans were as follows:

	December 31	
	2025	2024
Present value of defined benefit obligation	\$26,978	\$72,736
Fair value of plan assets	(39,351)	(84,019)
Net defined benefit asset (Note 15)	<u>(\$12,373)</u>	<u>(\$11,283)</u>

Movements in net defined benefit liability were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liabilities
Balance at January 1, 2024	\$78,099	(\$77,779)	\$320
Service cost			
Past service cost	(1,135)	-	(1,135)
Net interest expense (income)	965	(972)	(7)
Recognized in profit or loss	<u>(170)</u>	<u>(972)</u>	<u>(1,142)</u>
Remeasurements			
Return on plan assets (excluding amounts included in net interest)	-	(6,927)	(6,927)
Actuarial (gain) loss			
— Changes in demographic assumptions	18	-	18
— Changes in financial assumptions	(2,947)	-	(2,947)
— Experience adjustments	1,158	-	1,158
Recognized in other comprehensive income	<u>(1,771)</u>	<u>(6,927)</u>	<u>(8,698)</u>
Contributions from the employer	-	(1,763)	(1,763)

	Present Value of the Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liabilities
Benefits paid	(3,422)	3,422	-
Balance at December 31, 2024	72,736	(84,019)	(11,283)
Net interest expense (income)	1,184	(1,385)	(201)
Recognized in profit or loss	1,184	(1,385)	(201)
Return on plan assets (excluding amounts included in net interest)	-	(5,432)	(5,432)
Actuarial gain			
— Changes in financial assumptions	1,711	-	1,711
— Experience adjustments	1,677	-	1,677
Recognized in other comprehensive income	3,388	(5,432)	(2,044)
Contributions from the employer	-	(623)	(623)
Benefits paid	(3,389)	3,389	-
Settlements	(46,941)	48,719	1,778
Balance at December 31, 2025	\$26,978	(\$39,351)	(\$12,373)

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

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

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

	December 31	
	2025	2024
Discount rate	1.40%	1.65%
Expected rate of salary increase	2.00%	2.00%

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

	December 31	
	2025	2024
Discount rate		
0.25% increase	(\$714)	(\$1,736)
0.25% decrease	\$740	\$1,796
Expected rates of salary increase		
0.25% increase	\$733	\$1,785
0.25% decrease	(\$712)	(\$1,734)

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

	December 31	
	2025	2024
Expected contributions to the plan for the next year	\$ -	\$1,763
Average duration of the defined benefit obligation	10 years	9 years

20. EQUITY

Share capital

(a) Ordinary shares

	December 31	
	2025	2024
Number of shares authorized (in thousands)	650,000	650,000
Shares authorized	\$6,500,000	\$6,500,000
Number of shares issued and fully paid (in thousands)	441,545	441,545
Shares issued	\$4,415,449	\$4,415,449

(b) Capital surplus

	December 31	
	2025	2024
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to capital stock (Note)</u>		
Share premium	\$ 2,308,555	\$ 2,308,555
Bond issuance at a premium	286,921	286,921
Treasury share transactions	421	421
From share of changes in equities of associates	5,832	5,832
Invalidation of employee stock options	17,253	17,253
Total	\$ 2,618,982	\$ 2,618,982

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

(c) Retained earnings and dividend policy

The Company's Articles of Incorporation, state that, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside a legal reserve 10% of the remaining profit, and any further amounts shall be appropriated or reversed as special reserves in accordance with applicable laws and regulations. If there is still any remaining balance, it shall be combined with accumulated undistributed earnings, and the Board of Directors shall prepare a proposal for the distribution of dividends and bonuses to shareholders, which shall be submitted to the shareholders' meeting for approval. The Company state the policies on the distribution of employees' compensation and remuneration of directors state by the Company's Articles of Incorporation refer to "Employees' compensation and remuneration of directors" in Note 27 (g) to the consolidated financial statements.

In accordance with Article 240, Paragraph 5 of the Company Act, the Board of Directors is authorized, with the attendance of more than two-thirds of the directors and the approval of a majority of the directors present, to distribute all or part of the dividends and bonuses to shareholders in cash and report such distribution to the shareholders' meeting.

To maintain a stable dividend policy, the Company considers operational performance and funding requirements when proposing its earnings distribution. The dividends distributed shall not be less than 10% of profit after tax for the year, and the portion distributed in cash shall not be less than 10% of the total dividends proposed. However, if the calculated dividend per share is less than \$0.1, no distribution is required.

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

When a special reserve is appropriated for cumulative net debit balance reserves from the prior period, the special reserve is only appropriated from the prior unappropriated earnings.

The appropriations of earnings for 2024 and 2023 were approved in the shareholders' meetings on June 27, 2025 and June 28, 2024, respectively. The appropriations and dividends per share were as follows:

	For the Year Ended December 31	
	2024	2023
Legal reserve	\$7,581	\$23,495
Special reserve	(\$30,601)	\$9,582
Cash dividends	\$ -	\$44,155
Cash dividends per share (NT\$)	\$ -	\$0.10

The appropriation of losses for 2025, which were proposed by the Company's board of directors on March 13, 2026, were as follows:

The appropriation of losses for 2025 will be resolved by the shareholders in their meeting to be held in June 2026.

(d) Special reserve

	For the Year Ended December 31	
	2025	2024
Balance at January 1	\$ 89,686	\$ 80,104
Appropriation to special reserve		
Appropriation relating to the reclassification of other equity items	-	9,582
Reversal of special reserve		
Reversal relating to the reclassification of other equity items	(30,601)	-
Balance at December 31	<u>\$ 59,085</u>	<u>\$ 89,686</u>

(e) Other equity items

i. Exchange differences on translation of the financial statements of foreign operations

	For the Year Ended December 31	
	2025	2024
Balance at January 1	<u>(\$13,050)</u>	<u>(\$43,651)</u>
Recognized for the year		
Exchange differences on translation of the financial statements of foreign operations	<u>(13,001)</u>	<u>30,601</u>
Other comprehensive income for the year	<u>(13,001)</u>	<u>30,601</u>
Balance at December 31	<u>(\$26,051)</u>	<u>(\$13,050)</u>

ii. Unrealized valuation gain (loss) on financial assets at FVTOCI

	For the Year Ended December 31	
	2025	2024
Balance at January 1	<u>(\$46,036)</u>	<u>(\$46,036)</u>
Balance at December 31	<u>(\$46,036)</u>	<u>(\$46,036)</u>

21. REVENUE

(a) Contact information

Revenue from the sale of goods

The Company's primary source of operating revenue is derived from the manufacturing and sale of liquid crystal displays and liquid crystal display panels. The goods are sold at fixed prices as specified in the respective contracts.

(b) Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Accounts receivable (Note 9)	<u>\$1,283,666</u>	<u>\$1,446,159</u>	<u>\$964,026</u>
Accounts receivable - related parties (Notes 9 and 28)	<u>\$134,766</u>	<u>\$127,616</u>	<u>\$120,277</u>
Contract liabilities - current (Note 28)			
Sale of goods	<u>\$313,391</u>	<u>\$94,772</u>	<u>\$153,994</u>

Revenue of the reporting period recognized from the beginning contract liabilities and in the contract liabilities arising from performance obligations satisfied in prior periods are as follows:

	<u>For the Year Ended December 31</u>	
	2025	2024
Sale of goods	<u>\$80,309</u>	<u>\$140,684</u>

(c) Disaggregation of revenue

	<u>For the Year Ended December 31</u>	
	2025	2024
<u>Product Category</u>		
Manufacturing and sales of liquid crystal display panels and modules	<u>\$ 8,574,375</u>	<u>\$ 8,698,945</u>

	<u>For the Year Ended December 31</u>	
	2025	2024
<u>Information about major customers</u>		
Taiwan	\$2,425,432	\$2,265,262
Hong Kong, Macau and China	1,269,442	1,427,435
Japan	1,174,613	1,204,648
Europe	431,859	794,674
Americas	1,151,648	1,184,546
Others	<u>2,121,381</u>	<u>1,822,380</u>
	<u>\$8,574,375</u>	<u>\$8,698,945</u>

22. NET LOSS (PROFIT)

Profit (loss) for the year includes the following items:

(a) Interest income

	For the Year Ended December 31	
	2025	2024
Bank deposits	\$29,446	\$32,996
Others	9	-
	<u>\$29,455</u>	<u>\$32,996</u>

(b) Other income

	For the Year Ended December 31	
	2025	2024
Rental income	\$63,937	\$63,518
Others	148,681	289,611
	<u>\$212,618</u>	<u>\$353,129</u>

(c) Other gains and losses

	For the Year Ended December 31	
	2025	2024
Net foreign exchange gains	\$52,021	(\$53,062)
Gain on disposals of property, plant and equipment	497	76
Fair value changes of financial assets and financial liabilities		
Financial assets mandatorily classified as at FVTPL	101	(7,392)
Others	(79,829)	(161,236)
	<u>(\$27,210)</u>	<u>(\$221,614)</u>

(d) Finance costs

The details of finance costs was as follows:

	For the Year Ended December 31	
	2025	2024
Interest on loans from related parties (Note 28)	\$97,049	\$122,670
Interest on loans	9,896	12,613
Imputed interest on deposits	139	129
Interest on lease liabilities	55	23
	<u>\$107,139</u>	<u>\$135,435</u>

(e) Depreciation and amortization

	For the Year Ended December 31	
	2025	2024
An analysis of depreciation by function		
Operating costs	\$278,293	\$266,823
Operating expenses	41,249	32,427
	<u>\$319,542</u>	<u>\$299,250</u>
An analysis of amortization by function		
Operating costs	\$42	\$35
Operating expenses	51,551	51,107
	<u>\$51,593</u>	<u>\$51,142</u>

(f) Employee benefits expense

	For the Year Ended December 31	
	2025	2024
Short-term employee benefits	\$1,334,155	\$1,459,799
Post-employment benefits (Note 19)		
Defined contribution plans	(201)	(1,142)
Defined benefit plans	59,351	58,360
Other employee benefits	62,749	51,657
Total employee benefits expense	<u>\$1,456,054</u>	<u>\$1,568,674</u>
An analysis of employee benefits expenses by function		
Operating costs	\$1,136,825	\$1,229,616
Operating expenses	319,229	339,058
	<u>\$1,456,054</u>	<u>\$1,568,674</u>

(g) Compensation of employees and remuneration of directors

In accordance with the Company's Articles of Incorporation, employee compensation and directors' remuneration are accrued at not less than 1% and not more than 1.5%, respectively, of profit before tax for the year, before deducting employee compensation and directors' remuneration. Pursuant to the amendments to the Securities and Exchange Act in August 2024, the Company amended its Articles of Incorporation, as approved by the shareholders in 2025, to require that no less than 30% of the amount allocated for employee compensation shall be distributed to non-managerial employees.

The Company had loss before income tax for the year ended December 31, 2025. Therefore, no employees' compensation and remuneration of directors was accrued for the relevant period. The compensation of employees and remuneration of directors for the years ended December 31, 2024 which was approved by Company's board of directors on March 12, 2025, respectively, are as follows:

Accrual rate

	For the Year Ended December 31	
	2024	
Compensation of employees	5%	
Remuneration of directors	1%	

Amount

	For the Year Ended December 31	
	2024	
	Cash	Stock
Compensation of employees	\$3,764	\$ -
Remuneration of directors	753	-

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

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

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

23. INCOME TAXES

(a) Income tax recognized in profit or loss

Major components of income tax expense (benefit) are as follows:

	For the Year Ended December 31	
	2025	2024
Current tax		
In respect of the current year	\$4,942	\$7,886
Income tax on unappropriated earnings		
Adjustments for prior years	(992)	(4,232)
Income tax expense recognized in profit or loss	<u>\$3,950</u>	<u>\$3,654</u>

A reconciliation of accounting income (loss) and income tax expense was as follows:

	For the Year Ended December 31	
	2025	2024
Profit (loss) before tax	<u>(\$127,591)</u>	<u>\$70,771</u>
Income tax (benefit) expense calculated at the statutory tax rate	(\$25,518)	\$14,154
Nondeductible expenses in determining taxable income	92	(458)
Unrecognized deductible temporary differences and loss carryforwards	25,426	(13,696)
Adjustments for prior year	(992)	(4,232)
Income tax on unappropriated earnings	<u>4,942</u>	<u>7,886</u>
Income tax expense recognized in profit or loss	<u>\$3,950</u>	<u>\$3,654</u>

(b) Current income tax assets and liabilities

	December 31	
	2025	2024
Current tax assets		
Tax refund receivable	<u>\$3,973</u>	<u>\$10,262</u>
Current tax liabilities		
Income tax payable	<u>\$ -</u>	<u>\$7,886</u>

(c) Deductible temporary differences for which no deferred assets have been recognized in the consolidated balance sheets

	December 31	
	2025	2024
Deductible temporary differences	<u>\$1,156,883</u>	<u>\$1,331,336</u>

(d) Information about unused tax loss carryforward

Loss carryforwards as of December 31, 2025 comprised of:

<u>Unused Tax Amount</u>	<u>Expiry Year</u>
\$438,186	2030
145,796	2034
313,408	2035
<u>\$897,390</u>	

- (e) Temporary differences related to investments for which no deferred tax liabilities have been recognized

As of December 31, 2025 and 2024 the taxable temporary differences related to investments in subsidiaries for which no deferred tax liabilities have been recognized amounted to \$2,613,564 thousand and \$2,601,737 thousand, respectively.

- (f) Income tax assessments

The Company's corporate income tax returns have been assessed by the tax authorities through 2023. The Company does not concur with certain assessment results for 2023 and has filed an application for reexamination.

24. EARNINGS (LOSS) PER SHARE

	Unit: NT\$ Per Share	
	For the Year Ended December 31	
	2025	2024
Basic earnings (loss) per share	(\$ 0.30)	\$ 0.15
Diluted earnings (loss) per share	(\$ 0.30)	\$ 0.15

The earnings (loss) and weighted average number of ordinary shares outstanding used in the computation of earnings per share from continuing operations were as follows:

Net profit (loss) for the year

	For the Year Ended December 31	
	2025	2024
Net profit (loss) used in the computation of basic earnings (loss) per share	(\$131,541)	\$ 67,117
Net profit (loss) used in the computation of diluted earnings (loss) per share	(\$131,541)	\$ 67,117

Weighted average number of ordinary shares outstanding (in thousand shares):

	For the Year Ended December 31	
	2025	2024
Weighted average number of ordinary shares in computation of basic earnings (loss) per share	441,545	441,545
Effect of potentially dilutive ordinary shares:		
Compensation of employees	-	448
Weighted average number of ordinary shares used in the computation of dilutive earnings (loss) per share	441,545	441,993

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

25. CASH FLOW INFORMATION

(a) Non-cash transactions

Except as disclosed in other notes, the Group conducted the following non-cash transaction investment activities for the year ended December 31, 2025 and 2024:

As of December 31, 2025 and 2024 the acquisition of property, plant and equipment included unpaid amounts of \$44,467 thousand and \$33,821 thousand, respectively, which were recorded under other payables. In addition, unpaid amounts of \$252 thousand and \$4,689 thousand, respectively, were recorded under other payables-related parties.

(b) Changes in liabilities arising from financing activities

2025

	Balance at January 1, 2025		Non-cash Changes			Balance at December 31, 2025
		Cash Flow	New lease contracts	Interest expense	Others	
Long-term borrowings (including current portion of long-term borrowings)	\$522,419	(\$274,301)	\$ -	\$ -	\$ -	\$248,118
Other payable -related parties	2,646,112	(197,948)	-	97,049	(132,779)	2,412,434
Lease liabilities	1,474	(1,251)	3,181	55	(55)	3,404
Guarantee deposits	13,536	46	-	-	-	13,582
	<u>\$3,183,541</u>	<u>(\$473,454)</u>	<u>\$ 3,181</u>	<u>\$ 97,104</u>	<u>(\$132,834)</u>	<u>\$2,677,538</u>

2024

	Balance at January 1, 2025		Non-cash Changes			Balance at December 31, 2025
		Cash Flow	New lease contracts	Interest expense	Others	
Short-term borrowings	\$796,720	(\$274,301)	\$ -	\$ -	\$ -	\$522,419
Long-term borrowings (including current portion of long-term borrowings)	2,467,699	113,063	-	122,670	(57,320)	2,646,112
Lease liabilities	1,490	(703)	687	-	-	1,474
Guarantee deposits	13,595	(59)	-	-	-	13,536
	<u>\$3,279,504</u>	<u>(\$162,000)</u>	<u>\$687</u>	<u>\$122,670</u>	<u>(\$57,320)</u>	<u>\$3,183,541</u>

26. CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will be able to operate under the premises of going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The Company's capital structure consists of net debt (i.e., borrowings minus cash and cash equivalents) and equity (i.e., share capital, capital surplus, retained earnings and other equity items).

The Company's senior management reviews the capital structure on a regular basis, taking into consideration the cost and risks associated with each category of capital. Based on the recommendations of senior management, the Company balances its capital structure by paying dividends, issuing new shares, repurchasing shares, and issuing new debt or repaying existing debt as appropriate.

27. FINANCIAL INSTRUMENTS

(a) Fair value of financial instruments not measured at fair value

The management believes the carrying amounts of financial assets and financial liabilities that are not carried at fair value approximate their fair values or that their fair values cannot be measured reliably.

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

1. Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative instruments	\$ -	\$888	\$ -	\$888

There was no transfers between Level 1 and 2 for the year ended December 31, 2025.

(c) Categories of financial instruments

	December 31, 2025	December 31, 2024
<u>Financial assets</u>		
Financial assets at amortized cost (Note 1)	\$ 3,622,945	\$ 3,694,393
<u>Financial liabilities</u>		
FVTPL Held for trading Amortized cost (Note 2)	888	-
Financial liabilities measured at amortized cost (Note 2)	5,361,187	6,049,042

Note 1: The balance includes cash and cash equivalents, financial assets at amortized cost, notes receivable, accounts receivable, accounts receivable - related parties, other receivables (excluding tax refund receivable), other receivables - related parties, and refundable deposits, all of which are financial assets at amortized cost.

Note 2: The balance includes accounts payable, accounts payable - related parties, other payables (excluding salaries and bonuses payable, employee compensation payable, directors' remuneration payable, insurance premiums payable and pension payable), other payables - related parties, current portion of long-term borrowings, guarantee deposits, long-term borrowings, and long-term payables, all of which are financial liabilities at amortized cost.

(d) Financial risk management objectives and policies

The Company's major financial instruments included cash and cash equivalents, financial assets at amortized cost, accounts receivable, accounts payable, borrowings and lease liabilities. The Company's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

1. Market risk

The Company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Company entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk, included forward exchange contracts to hedge foreign exchange exposures arising from exports of liquid crystal displays and liquid crystal display panels.

There had been no change to the Company's exposure to market risks or the manner in which these risks were managed and measured.

a. Foreign currency risk

The Company had foreign currency sales and purchases, which exposed the Company to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contracts.

The carrying amounts of the Company's monetary assets and monetary liabilities denominated in foreign currencies other than the functional currency, refer to Note 32.

Sensitivity analysis

The Company was mainly exposed to the USD and JPY.

The following table details the Company's sensitivity to a 1% increase and decrease in the functional currency against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The sensitivity analysis included only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the year for a 1% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit or equity associated with the functional currency strengthening against the relevant currency. For a 1% weakening of the functional currency against the relevant currency, there would be an equal and opposite impact on pre-tax profit or equity, and the balances below would be negative.

	USD Impact		JPY Impact	
	For the Year Ended		For the Year Ended	
	December 31		December 31	
	2025	2024	2025	2024
Profit or loss	(\$15,839) (i)	(\$13,498) (i)	(\$620)(ii)	(\$248)(ii)

(i) The result was mainly attributable to the exposure on outstanding cash deposits ,other payable - related parties ,accounts receivable and accounts payable in U.S. dollar that were not hedged at the end of the year.

(ii) The result was mainly attributable to the exposure on outstanding cash deposits ,other payable ,accounts receivable and accounts payable in J.P. dollar that were not hedged at the end of the year.

The Company's sensitivity to USD and JPY currency increased during the current period, mainly due to the increase in the net foreign currency denominated.

b. Interest rate risk

The Company is exposed to interest rate risk because entities within the Company borrow funds at both fixed and floating interest rates. Interest rate risk is managed by maintaining an appropriate mix of fixed-rate and floating-rate borrowings and by using interest rate swap contracts and forward rate agreements. The Company periodically evaluates its hedging activities to ensure consistency with its views on interest rates and its risk appetite, and to ensure that the hedging strategies adopted are the most cost-effective.

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

	December 31	
	2025	2024
Fair value interest rate risk		
— Financial assets	\$961,542	\$114,748
— Financial liabilities	2,313,509	2,509,527
Cash flow interest rate risk		
— Financial assets	1,112,766	1,815,672
— Financial liabilities	248,118	522,419

Sensitivity analysis

The sensitivity analysis below was determined based on the Company's exposure to interest rate risk for non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis was prepared assuming the amount of both the assets and the liabilities outstanding at the end of the reporting period was outstanding for the whole year.

A 10% increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

2. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. As at the end of the reporting period, the Company's maximum exposure to credit risk which will cause a financial loss to the Company due to failure of the counterparty to discharge an obligation arises from the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets.

The Company has a policy of dealing with only creditworthy counterparties and obtaining sufficient collateral, where appropriate, to mitigate the risk of financial loss from defaults.

In order to minimize credit risk, the management of the Company has set up an approach for credit and accounts receivable management to ensure that follow-up action is taken to recover overdue debt. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The Company continuously evaluates the financial condition of its customers and reviews the recoverability of receivables to ensure that impairment losses are recognized where necessary. When appropriate, contract liabilities may be required as part of the trading terms to reduce credit risk.

The Company's concentration of credit risk was mainly attributable to the Company's ten largest customers, which accounted for 62% and 57% of total accounts receivable for the years ended December 31, 2025 and 2024.

3. Liquidity risk

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

The Company relies on bank borrowings as a significant source of liquidity. As of December 31, 2025 and 2024, the Company had available unutilized loan facilities set out in (b) below.

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

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

For floating-rate interest payments, undiscounted interest cash flows are determined using the average floating interest rates applicable as of the balance sheet date.

December 31, 2025

	Less than 6 Months	6 Months to 1 Years	1-2 Years	2-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$2,620,091	\$ 3,665	\$40,734	\$36,145	\$ -
Lease liabilities	812	739	1,251	696	-
Fixed-rate instruments	2,412,434	-	-	-	-
Floating interest rate liabilities	138,803	56,240	55,706	-	-
	<u>\$5,172,140</u>	<u>\$60,644</u>	<u>\$97,691</u>	<u>\$36,841</u>	<u>\$ -</u>

December 31, 2024

	Less than 6 Months	6 Months to 1 Years	1-2 Years	2-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$2,752,555	\$ -	\$51,895	\$76,061	\$ -
Lease liabilities	383	383	515	215	-
Fixed-rate instruments	2,646,112	-	-	-	-
Floating interest rate liabilities	141,606	140,205	195,043	55,706	-
	<u>\$5,540,656</u>	<u>\$140,588</u>	<u>\$247,453</u>	<u>\$131,982</u>	<u>\$ -</u>

b. Liquidity and interest rate risk table for derivative financial liabilities

For derivative financial instruments that are settled on a net basis, the liquidity analysis is prepared based on the undiscounted contractual net cash inflows and outflows. For derivative financial instruments that are settled on a gross basis, the analysis is prepared based on the undiscounted gross cash inflows and outflows. When the amounts payable or receivable are variable, the disclosed amounts are determined using the interest rates estimated based on the yield curves as of the balance sheet date.

December 31, 2025

	Less than 6 Months
<u>Gross settled</u>	
Foreign exchange forward contracts	
Inflows	\$250,552
Outflows	(251,440)
	<u>(\$888)</u>

c. Financing facilities

	<u>December 31</u>	
	2025	2024
Unsecured borrowings facilities		
Amount used	\$114,747	\$49,737
Amount unused	1,012,413	1,894,188
	<u>\$1,127,160</u>	<u>\$1,943,925</u>
Secured borrowings facilities		
Amount used	\$248,118	\$522,419
Amount unused	510,000	510,000
	<u>\$758,118</u>	<u>\$1,032,419</u>

(e) Financial asset transfer information

The Company had no derecognized trade receivable transfers as of December 31, 2025. Information on trade receivables transferred but not yet derecognized as of December 31, 2025 is as follows:

December, 2024

Counterparty	Amount transferred	Amount reclassified to other receivables	Amount with recourse	Effective interest rate (%)
Financial institution	\$31,145	\$31,145	\$ -	-

In accordance with the terms of the trade receivables transfer agreement, losses arising from commercial disputes are borne by the Company, while losses arising from credit risk are borne by the financial institutions.

28. TRANSACTIONS WITH RELATED PARTIES

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

(a) Related party name and relationship

Related Parties	Relationship with the Company
TOPPAN Holdings Inc. (TOPPAN Holdings)	Associate (Note 1)
GIANTPLUS (SAMOA) HOLDING CO., LTD	Subsidiary
GIANTPLUS HOLDING L.L.C.	Subsidiary
KUNSHAN GIANTPLUS OPTRONICS DISPLAY TECH CO., LTD.	Subsidiary
TOPPAN Inc. (TOPPAN) (Note)	Other related party
Tekscend Photomask Chunghwa Inc. (TPC)	Other related party
Toppan Electronics Taiwan Inc (TET)	Other related party
Lin Yong Ren	Other related party (Note 2)

Note 1: TOPPAN Holdings was formerly the parent company and the ultimate controlling party of the Company. On January 20, 2025, TOPPAN Holdings disposed of 81,500 thousand shares of the Company. As a result, its ownership interest decreased from 53.1% to 34.6% as of December 31, 2025, and TOPPAN Holdings lost control over the Company.

Note 2: Represents the spouse of a director of the Company.

(b) Sales

Line Item	Related Party Category	For the Year Ended December 31	
		2025	2024
Sales revenue	Other related party	\$ 700,574	\$ 487,827
	Subsidiary	10,014	39,637
		<u>\$ 710,588</u>	<u>\$ 527,464</u>

The transaction price between the Company and the above-mentioned related parties was not comparable to that of other customers, and no significant differences between the terms of transactions with related parties and other customers. The payment terms for related parties were ranged from 45 days to 60 days, while the terms for routine sales were ranged from T/T in advance to 120 days.

(c) Purchases

Related Party Category	December 31	
	2025	2024
Other related parties	<u>\$21,779</u>	<u>\$13,277</u>

The prices and payment terms of the Company's purchase from the above related parties were not significantly different from those of its regular suppliers. The payment terms for related parties' transaction were ranged from 45 days to 90 days, while the terms for routine purchases were ranged from T/T in advance to 120 days.

(d) Contract liabilities

Related Party Category	December 31	
	2025	2024
Subsidiary		
KUNSHAN GIANTPLUS OPTRONICS		
DISPLAY TECH CO., LTD.	\$202,515	\$ -
Other related party	12,034	5,897
	<u>\$214,549</u>	<u>\$5,897</u>

(e) Receivables from related parties

Line Item	Related Party Category	December 31	
		2025	2024
Accounts receivable	Other related party		
	TOPPAN	<u>\$134,766</u>	<u>\$127,616</u>

Line Item	Related Party Category	December 31	
		2025	2024
Other receivables	Subsidiary	\$934	\$4,680
	Other related party		
	TPC	11,424	13,014
	Other	1,034	-
		<u>\$13,392</u>	<u>\$17,694</u>
Other current asset	Other related party		
	TOPPAN	\$8,502	\$17,169
	Other	1,620	2,247
		<u>\$10,122</u>	<u>\$19,416</u>

The outstanding accounts receivable from related parties are unsecured.

(f) Payables to related parties

The payables to related parties were as follows:

Line Item	Related Party Category	December 31	
		2025	2024
Accounts payable	Subsidiary		
	KUNSHAN		
	GIANTPLUS		
	OPTRONICS		
	DISPLAY TECH		
	CO., LTD.	\$847,821	\$868,309
	Other related party		
	TOPPAN	170,763	134,880
	Other related party	253	397
		<u>\$1,018,837</u>	<u>\$1,003,586</u>
Other payables	Other related party	\$6,861	\$14,604
	Subsidiary	44	192
		<u>\$6,905</u>	<u>\$14,796</u>

The outstanding balances of payables to related parties are not pledged. The outstanding accounts payable from related parties are unsecured.

(g) Acquisition of property, plant and equipment

Related Party Category	Acquisition Price	
	For the Year Ended December 31	
	2025	2024
Other related party	<u>\$ 14,735</u>	<u>\$ 11,371</u>

(h) Borrowings from Related Parties

Relationship	December 31	
	2025	2024
Subsidiary		
GIANTPLUS (SAMOA)		
HOLDING CO., LTD	\$ 2,056,569	\$ 1,909,207
GIANTPLUS HOLDING		
L.L.C.	355,865	736,905
	<u>\$ 2,412,434</u>	<u>\$ 2,646,112</u>

Interest expense

Relationship	For the Year Ended December 31	
	2025	2024
Subsidiary		
GIANTPLUS (SAMOA)		
HOLDING CO., LTD	\$ 76,834	\$ 90,578
GIANTPLUS HOLDING		
L.L.C.	20,215	32,092
	<u>\$ 97,049</u>	<u>\$122,670</u>

Borrowings from related parties bear interest at the average interest rates of short-term borrowings obtained from financial institutions during the year in which funds are advanced by the related parties and are unsecured.

(i) Others related party transaction

Line Item	Related Party Category	December 31	
		2025	2024
Prepayment for equipment (classified as other non- current assets)	Other related party		
	TOPPAN	<u>\$21,945</u>	<u>\$ -</u>
Line Item	Related Party Category	For the Year Ended December 31	
		2025	2024
Outsourced processing fees	Subsidiary	<u>\$1,169,525</u>	<u>\$1,177,251</u>
Manufacturing expenses	Other related party	\$222,578	\$241,229
	Subsidiary	-	377
		<u>\$222,578</u>	<u>\$241,606</u>
Operating expenses	Other related party	\$1,899	\$764
	Subsidiary	1	4
		<u>\$1,900</u>	<u>\$768</u>

Line Item	Related Party Category	For the Year Ended December 31	
		2025	2024
Other income	Subsidiary	\$ -	\$18,873
	Other related party		
	TOPPAN	46,348	51,299
	Others	9,224	7,917
		<u>\$55,572</u>	<u>\$78,089</u>
Other expense	Other related party		
	TOPPAN	\$38,674	\$63,263
	Others	2,592	7,732
		<u>\$41,266</u>	<u>\$70,995</u>

The Company leases properties to related parties by reference to prevailing market rates, with the terms of the leases determined through negotiation between the contracting parties. Rental payments are collected on a monthly basis.

(j) Remuneration of key management personnel

	For the Year Ended December 31	
	2025	2024
Short-term employee benefits	<u>\$32,179</u>	<u>\$32,319</u>

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

29. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets have been pledged as security for purchase deposits for imported raw materials, collateral for financing borrowings, capacity reservation deposits and dormitory deposits::

Assets	December 31	
	2025	2024
Pledge deposits (classified as financial assets at amortized cost)	\$28,071	\$ -
Property, plant and equipment	3,713,554	3,793,554
Refundable deposits (classified as other non-current assets)	91,094	118,728
	<u>\$3,832,719</u>	<u>\$3,912,282</u>

30. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Except as stated in other notes, the Company has the following major commitments and contingencies on the balance sheet date:

1. The Company has entered into capacity reservation agreements with suppliers, under which the Company is required to purchase wafers from the suppliers at agreed prices and quantities.
2. As of December 31, 2025, the amount of unused letters of credit opened for the purchase of raw materials was NT\$81,023 thousand.
3. The Company's unrecognized contractual commitments are as follows:

	December 31	
	2025	2024
Acquisition of property, plant and equipment	\$86,498	\$ -

On September 25, 2025, the Board of Directors of the Company approved the plan to acquire the color filter production line of TOPPAN Inc. In October 2025, the Company entered into a share purchase agreement to acquire 100% of the equity interest in a newly established company of TOPPAN Inc. for JPY110,000,000.

31. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

None.

32. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was summarized according to the foreign currencies other than the functional currency of the entities in the Company. The exchange rates disclosed were used to translate the foreign currencies into the functional currency. The significant financial assets and liabilities denominated in foreign currencies were as follows:

December 31, 2025			
	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$89,360	31.430 (USD:NTD)	\$2,808,585
JPY	831,889	0.201 (JPY:NTD)	167,210
<u>Financial liabilities</u>			
Monetary items			
USD	139,753	31.430 (USD:NTD)	4,392,437
JPY	1,140,226	0.201 (JPY:NTD)	229,185

December 31, 2024			
	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$85,116	32.785 (USD:NTD)	\$2,790,528
JPY	897,822	0.210 (JPY:NTD)	188,543
<u>Financial liabilities</u>			
Monetary items			
USD	126,287	32.785 (USD:NTD)	4,140,319
JPY	1,016,091	0.210 (JPY:NTD)	213,379

For the years ended December 31, 2025 and 2024, net foreign exchange (loss) gains were \$52,021 thousand and \$(53,062) thousand, respectively. It is impractical to disclose net foreign exchange gains by each significant foreign currency due to the variety of the foreign currency transactions and currencies of the entities in the Group.

33. SEPARATELY DISCLOSED ITEMS

1. Information about significant transactions and investees:
 - (a) Financing provided to others: (Table 1)
 - (b) Endorsements/guarantees provided: None
 - (c) Significant marketable securities held (excluding investments in subsidiaries): (Table 2)
 - (d) Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital: (Table 3)
 - (e) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: (Table 4)
2. Information on investees (Table 5)
3. Information on investment in mainland China:
 - (a) The name of the investee company in mainland China, main business items, paid-in capital, investment methods, capital remittances and reductions, shareholding ratio, investment gains and losses, investment book value at the end of the period, repatriated investment gains and losses, and investment limits in mainland China: (Table 6)
 - (b) The following major transactions, prices, payment terms, and unrealized gains and losses that occurred directly with the investee company in mainland China or indirectly via a third region: (Table 7)
 - (1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year.
 - (2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year.
 - (3) The amount of property transactions and the amount of the resultant gains or losses:
No significant transactions
 - (4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes
 - (5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds
 - (6) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

TABLE 1**GIANTPLUS TECHNOLOGY CO., LTD.****FINANCING PROVIDED TO OTHERS****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Parties	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount (Note 4)	Interest Rate (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 3)	Aggregate Financing Limits (Note 3)	Note
													Item	Value			
1	GIANTPLUS (SAMOA) HOLDING CO., LTD.	GIANTPLUS TECHNOLOGY CO., LTD.	Other receivables - related parties	Y	\$2,718,695	\$2,718,695	\$1,964,375	1.20%~5.40%	2	\$ -	Operating capital	\$ -	-	\$ -	\$4,002,964	\$4,002,964	
1	GIANTPLUS (SAMOA) HOLDING CO., LTD.	KUNSHAN GIANTPLUS OPTRONICS DISPLAY TECHNOLOGY CO., LTD.	Other receivables - related parties	Y	996,150	377,160	377,160	6.16%~6.23%	2	-	Operating capital	-	-	-	4,002,964	4,002,964	
2	GIANTPLUS HOLDING L.L.C.	GIANTPLUS TECHNOLOGY CO., LTD.	Other receivables - related parties	Y	1,081,905	345,730	345,730	3.05%	2	-	Operating capital	-	-	-	1,317,140	1,317,140	
2	GIANTPLUS HOLDING L.L.C.	KUNSHAN GIANTPLUS OPTRONICS DISPLAY TECHNOLOGY CO., LTD.	Other receivables - related parties	Y	565,740	565,740	377,160	5.56%~6.12%	2	-	Operating capital	-	-	-	1,317,140	1,317,140	

Note 1: The number indicates the following:

- (1) The issuer is "0".
- (2) Each subsidiary is numbered in sequential order starting from "1".

Note 2: The descriptions of the nature of financing are as follows:

- (1) Business transaction
- (2) Short-term financing.

Note 3: The total amount of financing provided by GIANTPLUS (SAMOA) HOLDING CO., LTD. and the financing limit to any individual counterparty shall not exceed 100% of the net worth of GIANTPLUS (SAMOA) HOLDING CO., LTD. for the period. The total amount of financing provided by GIANTPLUS HOLDING L.L.C. and the financing limit to any individual counterparty shall not exceed 90% of the net worth of GIANTPLUS HOLDING L.L.C. for the period.

TABLE 2**GIANTPLUS TECHNOLOGY CO., LTD.****SIGNIFICANT MARKETABLE SECURITIES HELD****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Number of Shares (In Thousands)	Carrying Value	% of Ownership	Fair Value	
GIANTPLUS TECHNOLOGY CO., LTD.	<u>Stock</u> CHENFENG Optronics Corporation	None	Financial assets at fair value through other comprehensive income - non-current	2,141,452	\$ -	2.13%	\$ -	Note 1

Note 1: The Company did not have any assets that were pledged or otherwise restricted for use as guarantees, collateral for borrowings or for other contractual purposes during the period.

Note 2: The highest number of shares held during the period was the same as the number of shares held at the end of the period.

Note 3: For information relating to the invested enterprises, please refer to Tables 6 and 7.

TABLE 3**GIANTPLUS TECHNOLOGY CO., LTD.**

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2025**

(In Thousands of New Taiwan Dollars)

Company Names	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) Receivable		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
GIANTPLUS TECHNOLOGY CO., LTD. KUNSHAN GIANTPLUS OPTRONICS DISPLAY TECHNOLOGY CO., LTD.	TOPPAN Inc.	Other related party Parent company	Sales	(\$700,574)	(8%)	45 days	-	-	\$134,766	10%	
	GIANTPLUS TECHNOLOGY CO., LTD.		Sales	(1,169,525)	(96%)	60 days	-	-	847,821	100%	

TABLE 4**GIANTPLUS TECHNOLOGY CO., LTD.****RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL****FOR THE YEAR ENDED DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

Company Name	Related Party	Nature of Relationship	Ending Balance (Note 2)	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
GIANTPLUS TECHNOLOGY CO., LTD.	TOPPAN Inc.	Other related party	\$134,766	5.34	\$ -	-	\$124,180	\$ -
KUNSHAN GIANTPLUS OPTRONICS DISPLAY TECHNOLOGY CO., LTD.	GIANTPLUS TECHNOLOGY CO., LTD.	Parent company	847,821	1.36	-	-	847,821	-
GIANTPLUS (SAMOA) HOLDING CO., LTD.	GIANTPLUS TECHNOLOGY CO., LTD.	Parent company	2,056,569 (Note 1)	N/A	-	-	-	-
GIANTPLUS (SAMOA) HOLDING CO., LTD.	KUNSHAN GIANTPLUS OPTRONICS DISPLAY TECHNOLOGY CO., LTD.	Subsidiary	394,509 (Note 1)	N/A	-	-	-	-
GIANTPLUS HOLDING L.L.C.	GIANTPLUS TECHNOLOGY CO., LTD.	Parent company	355,865 (Note 1)	N/A	-	-	-	-
GIANTPLUS HOLDING L.L.C.	KUNSHAN GIANTPLUS OPTRONICS DISPLAY TECHNOLOGY CO., LTD.	Subsidiary	384,421 (Note 1)	N/A	-	-	-	-

Note 1: The balances include loans to others and related receivables such as interest receivable. Please refer to Table 5.

Note 2: The figures presented in this table are stated in New Taiwan dollars. For items involving foreign currencies, the amounts were translated at the exchange rates prevailing on the balance sheet date, which were USD1 = NT\$31.43 and RMB1 = NT\$4.47160.

TABLE 5**GIANTPLUS TECHNOLOGY CO., LTD.**

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

Investor	Investee	Location	Main Business Activities	Investment Amount		Balance as of December 31, 2025			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				December 31, 2025	December 31, 2024	Number of Shares (In Thousands)	% of Ownership	Carrying Value			
GIANTPLUS TECHNOLOGY CO., LTD.	GIANTPLUS (SAMOA) HOLDING CO., LTD.	Samoa	Investment holding activities	\$1,397,086	\$1,397,086	44,000,000	100.00	\$ 3,997,821	(\$25,749)	(\$28,536) (Note 1)	Subsidiary (Note 4)
GIANTPLUS (SAMOA) HOLDING CO., LTD.	GIANTPLUS HOLDING L.L.C.	U.S.A	Investment holding activities	1,397,086	1,397,086	-	100.00	1,463,490	14,614	14,614 (Note 1)	Subsidiary (Note 4)

Note 1: Including unrealized (realized) gains or losses arising from intercompany transactions.

Note 2: For information on investee companies located in Mainland China, please refer to Table 6.

Note 3: The figures presented in this table shall be stated in New Taiwan dollars. For amounts involving foreign currencies, the translation is based on the exchange rates prevailing on the balance sheet date, which were USD1 = NT\$31.43; however, income-statement amounts are translated using the average exchange rate for the period, which was USD1 = NT\$31.17969.

TABLE 6**GIANTPLUS TECHNOLOGY CO., LTD.****INFORMATION ON INVESTMENTS IN MAINLAND CHINA****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

1. The name of the investee in Mainland China, the main businesses and products, its issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits/losses of investee, ending balance, amount received as dividends from the investee, and the limitation on investe

Equity-method Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital (Note 8)	Investment Type (Note 1)	Accumulated Outflow of Investments from Taiwan as of January 1, 2025	Investment flows		Accumulated Outflow of Investments from Taiwan as of December 31, 2025	Net Income (Loss) of the Investee	Percentage of Ownership in Investment	Investment Gain (Loss)	Carrying Value as of December 31, 2025	Accumulated Inward Remittance of Earnings as of December 31, 2025	Note
					Outflow	Inflow							
KUNSHAN GIANTPLUS OPTRONICS DISPLAY TECHNOLOGY CO., LTD. (Note 5)	Assembly of liquid crystal display modules, and the manufacturing and sales of touch panels	\$911,470	(2)	\$911,470	\$ -	\$ -	\$911,470	\$23,501	100	\$23,501	\$704,661	\$ -	Note 2

2. Investment limit for investments in Mainland China

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2025 (Note 6)	Investment Amount Authorized by the Investment Commission, MOEA (Note 6)	Ceiling Amount on of the Corporation's Investments in Mainland China (Note 6)
\$2,231,530	\$2,231,530	\$4,702,809

Note1: The "Investment Method" column indicates the following:

(1) Direct investment in Mainland China.

(2) Reinvestment in Mainland China through a company in a third jurisdiction.

A. KUNSHAN GIANTPLUS OPTRONICS DISPLAY TECHNOLOGY CO., LTD. is invested through GIANTPLUS HOLDING L.L.C.

(3) Other methods.

Note2: The investment gain or loss recognized for the period is based on the financial statements audited by the parent company's CPA in Taiwan.

Note3: In accordance with the Ministry of Economic Affairs Investment Commission ruling No. 09704604680, the investment limit is calculated based on 60% of consolidated net equity.

Note4: The figures presented in this table shall be stated in New Taiwan dollars. For amounts involving foreign currencies, the translation is based on the exchange rates prevailing on the balance sheet date, which were USD1 = NT\$31.43 and RMB1 = NT\$4.47160; however, amounts relating to income-statement items are translated using the average exchange rates for the period, which were USD1 = NT\$31.17969 and RMB1 = NT\$4.36425.

Note5: Amounts arising from intercompany transactions have been eliminated in the preparation of the consolidated financial statements.

Note6: KUNSHAN GIANTPLUS OPTRONICS DISPLAY TECHNOLOGY CO., LTD. is an investee indirectly held by GIANTPLUS TECHNOLOGY CO., LTD. through GIANTPLUS HOLDING L.L.C.

Note7: The "Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025" and the "Investment Amounts Authorized by Investment Commission, MOEA" include the originally remitted investments of US\$30,000 thousand in KUNSHAN GIANTPLUS OPTRONICS DISPLAY TECHNOLOGY CO., LTD. and US\$12,000 thousand in SHENZHEN GIANTPLUS OPTOELEC DISPLAY CO., LTD., which were disposed of in April 2019 and January 2021, respectively. As of December 31, 2025, the originally remitted investment amount of US\$42,000 thousand has not yet been remitted to Taiwan.

TABLE 7**GIANTPLUS TECHNOLOGY CO., LTD.**

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

1. The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None
2. The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period :

Investee Company	Transaction Type	Purchase/Sale		Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Note
		Amount	% to Total		Payment Term	Comparison with Normal Transaction	Ending Balance	% to Total		
KUNSHAN GIANTPLUS OPTRONICS DISPLAY TECHNOLOGY CO., LTD.	Sales	(\$1,169,525)	(96%)	Cost-plus basis (as negotiated)	Monthly settlement, 60 days	Same as general transactions	\$847,821	100%	\$7	

3. The amount of property transactions and the amount of the resultant gains or losses: None.
4. The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purpose: None.
5. The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: Please refer to table 1.
6. Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services: None.

STATEMENTS OF MAJOR ACCOUNTING ITEMS

Details of Items	Number/ note
Statement of Assets, Liabilities and Equity	
Statement of cash and cash equivalents	1
Statement of financial assets measured at amortized cost	Note 8
Statement of accounts receivable	2
Statement of other accounts receivable	Note 9
Statement of inventories	3
Statement of other current assets	Note 15
Statement of changes in investment accounted for using equity method	4
Statement of changes in property, plant, and equipment	Note 12
Statement of changes in right-of-use assets	5
Statement of intangible assets	Note 13
Statement of changes in other non-current assets	6
Statement of accounts payable	7
Statement of other accounts payable	8
Statement of long-term loans	9
Statement of lease liabilities	10
Statement of other non-current liabilities	11
Statement of Income Statement Items	
Statement of net operating income	12
Statement of operating costs	13
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Statement of non-operating income and expenses	Note 22
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Summary statement of employee benefits, depreciation and amortization expenses by function	15

GIANTPLUS TECHNOLOGY CO., LTD.**STATEMENT OF CASH AND CASH EQUIVALENTS****December 31, 2025****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Item	Description	Amount
Cash on hand		
Petty cash		\$165
Bank savings		
Checks and saving accounts		93
Saving accounts		517,927
Foreign currency deposits	Including	594,839
	USD \$14,164 thousand,	
	JPY \$720,782 thousand,	
	RMB \$642 thousand,	
	HKD \$73 thousand and	
	EUR \$48 thousand.	
Cash equivalents (investments with original maturities of less than 3 months)		
Time deposit	USD \$29,700 thousand	933,471
		<u>\$2,046,495</u>

Note: Exchange rate, December 31, 2025

USD 1=NTD 31.430

JPY 1=NTD 0.2008

RMB 1=NTD 4.472

HKD1=NTD 4.038

EUR 1= NTD 36.900

GIANTPLUS TECHNOLOGY CO., LTD.**STATEMENT OF ACCOUNTS RECEIVABLE****December 31, 2025****(In Thousands of New Taiwan Dollars)**

<u>Client Name</u>	<u>Description</u>	<u>Amount</u>
Non-related parties:		
Company N	Sales proceeds	\$120,727
Company J	"	119,622
Company A	"	118,404
Company I	"	116,674
Company D	"	98,496
Company F	"	94,733
Company M	"	89,673
Others(Note)	"	635,049
		<u>1,393,378</u>
Less: allowance for impairment loss		<u>(109,712)</u>
		<u>\$1,283,666</u>
Related party:		
TOPPAN	Sales proceeds	<u>\$134,766</u>

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

GIANTPLUS TECHNOLOGY CO., LTD.**STATEMENT OF INVENTORIES****December 31, 2025****(In Thousands of New Taiwan Dollars)**

Item	Amount	
	Costs	Market price (Note)
Finished goods	\$174,535	\$163,306
Work in Process	254,290	192,370
Manufacturing goods	898,417	825,268
Goods in transit	18,202	18,202
Total	1,345,444	<u>\$1,199,146</u>
Less: loss of allowance	<u>(146,298)</u>	
	<u>\$1,199,146</u>	

Note: Net realizable value refers to the estimated selling price under normal conditions, minus the estimated costs required to complete the product and the estimated costs necessary to make the sale (including losses from obsolete or slow-moving inventory).

GIANTPLUS TECHNOLOGY CO., LTD.

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

FOR THE YEAR ENDED DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

Name of invested company and target	Balance, January 1, 2025		Addition		Decreases		Share of gain (loss) of subsidiaries accounted for using the equity method	Exchange differences on translation of foreign financial statements	Balance December 31, 2025			Market price or net asset		Guaranteed or pledge conditions
	Shares	Amount	Shares	Amount	Shares	Amount			Shares	Proportion of holdings	Amount	Unit price	Total amount	
GIANTPLUS (SAMOA) HOLDING CO., LTD. (Note 1)	44,000,000	<u>\$4,308,758</u>	-	<u>\$664</u>	-	<u>(\$ 270,064)</u>	<u>(\$28,536)</u>	<u>(\$13,001)</u>	44,000,000	100.00 %	<u>\$3,997,821</u>	91	<u>\$4,002,965</u>	None

Note: The increase during the year resulted from the reversal of unrealized gross profit on downstream sales to subsidiaries recognized in prior periods amounting to \$664 thousand. The decrease during the year resulted from unrealized gross profit on downstream sales to subsidiaries amounting to \$7 thousand, cash dividends distributed of \$269,100 thousand, and deferred gross profit on the disposal of equipment amounting to \$957 thousand.

GIANTPLUS TECHNOLOGY CO., LTD.

STATEMENT OF CHANGES IN RIGHTS-OF-USE ASSETS AND ACCUMULATED DEPRECIATION OF RIGHT-OF-USE ASSETS

December 31, 2025

(In Thousands of New Taiwan Dollars)

	Land improvement	Transportation equipment	Other equipment	Total	Note
Cost					
Balance, January 1, 2025	\$1,563	\$687	\$1,718	\$3,968	
Additions	-	2,709	472	3,181	
Balance, December 31, 2025	1,563	3,396	2,190	7,149	
Accumulated Depreciation					
Balance, January 1, 2025	1,050	191	1,274	2,515	
Depreciation expense	171	605	485	1,261	
Balance, December 31, 2025	1,221	796	1,759	3,776	
Net amount, December 31, 2025	\$342	\$2,600	\$431	\$3,373	

GIANTPLUS TECHNOLOGY CO., LTD.**STATEMENT OF OTHER NON - CURRENT ASSETS****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

Item	Description	Amount
Guarantee deposits paid	Capacity reservation deposit and dormitory deposit, etc.	\$91,094
Prepayments for equipment		66,994
Net defined benefit assets		12,373
Others		851
		<u>\$171,312</u>

GIANTPLUS TECHNOLOGY CO., LTD.**STATEMENT OF ACCOUNTS PAYABLE****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

Name of Client	Description	Amount
Non-related parties:		
Company K	Payment	\$127,984
Others	"	993,260
Others (Note)		<u>\$1,121,244</u>
Related parties:		
KUNSHAN GIANTPLUS OPTRONICS DISPLAY TECH CO., LTD.	Payment	\$847,821
TOPPAN	"	170,763
Others	"	253
Others (Note)		<u>\$1,018,837</u>

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

GIANTPLUS TECHNOLOGY CO., LTD.**STATEMENT OF OTHER PAYABLES****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

Item	Description	Amount
Non-related parties:		
Salaries payable	Salaries and bonuses	\$207,235
Equipment payables		44,467
Royalty payable		36,773
Others(Note)		421,627
		<u>\$710,102</u>
Related parties:		
Giantplus (Samoa) Holding Co., Ltd.	Loans and interest payable	\$2,056,569
Giantplus Holding L.L.C.	Loans and interest payable	355,865
Others(Note)		6,905
		<u>\$2,419,339</u>

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

GIANTPLUS TECHNOLOGY CO., LTD.

STATEMENT OF LONG-TERM BANK LOANS

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

Creditor	Description	Amount	Term of contract	Rate	Collateral
Chang Hwa Commercial Bank, Ltd.	Secured loan	\$248,118	2017.04.10~2027.04.10	1.93%~2.13%	Partial land and buildings
	Current portion of Long-term borrowings	(192,634)			
		<u>\$55,484</u>			

GIANTPLUS TECHNOLOGY CO., LTD.

STATEMENT OF LEASE LIABILITIES
DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Item	Description	Term of lease	Discount rate	Balance December 31, 2025
Land	Used primarily for warehousing	2020.9.1~2027.12.31	0.67%	\$349
Transportation equipment	Used primarily for company vehicles	2024.3.20~2028.8.19	2.26%~2.44%	2,617
Other equipment		2021.8.1~2029.6.30	0.97%~2.56%	438
				3,404
Less: Current portion				(1,494)
Lease liability — Non-current				\$1,910

GIANTPLUS TECHNOLOGY CO., LTD.

STATEMENT OF OTHER NON - CURRENT LIABILITIES

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Long-term account payables	Patent	\$ 72,918
Guarantee deposit		3,961
		<u>\$ 76,879</u>

GIANTPLUS TECHNOLOGY CO., LTD.

**STATEMENT OF NET REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

<u>Item</u>	<u>Quantity (thousand square foot)</u>	<u>Amount</u>
Display	Note	<u>\$ 8,574,375</u>

Note: Due to the diversity of products, it is difficult to categorize.

GIANTPLUS TECHNOLOGY CO., LTD.**STATEMENT OF COST OF REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

Item	Amount
	Total
Raw material, January 1	\$950,809
Add: purchase	3,784,071
Less: Raw material, December 31	(916,619)
Transferred to other expenses	(35,765)
Sales of raw material	(112,126)
Scrapped	(30,882)
Direct material	3,639,488
Direct labor	670,057
Manufacturing overhead	3,679,009
Cost of manufacturing	7,988,554
Work in process, January 1	389,295
Less: Work in process, December 31	(254,290)
Transferred to other expenses	(30)
Scrapped	(19,876)
Cost of finished goods	8,103,653
Finished goods, January 1	164,313
Less: Finished goods, December 31	(174,535)
Scrapped	(4,179)
Cost of sales	8,089,252
Add: Inventory scrapped loss	54,937
Sales of raw material	112,126
Less: Reversal of allowance for inventory write-down	(67,470)
Total operating costs	<u><u>\$8,188,845</u></u>

GIANTPLUS TECHNOLOGY CO., LTD.

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

Item	Selling Expenses	General and Administrative Expenses	Research and Development Expense	Expected credit impairment loss
Salary expense (Note 1)	\$71,272	\$107,913	\$102,129	\$ -
Amortizations	49,540	1,239	772	-
Freight	21,709	26	343	-
Commissions expense	11,474	-	-	-
Traveling expense	11,289	1,934	1,112	-
Insurance expense	7,063	9,892	9,672	-
Services expense	2,047	14,341	-	-
Depreciation expense	719	10,008	30,522	-
Taxes	-	15,515	-	-
Other expense - miscellaneous expenses	645	14,588	505	-
Other expense - professional service fees	-	13,486	146	-
Other expense - materials consumed	-	-	12,832	-
Other expense - cleaning expenses	-	11,582	-	-
Expected credit impairment loss	-	-	-	3,608
Other expense (Note2)	6,597	25,411	26,892	-
Total	\$ 182,355	\$225,935	\$184,925	\$3,608

Note 1: Salary expenses include salaries and wages, retirement benefit expenses, and directors' remuneration.

Note 2: The amount of each item included in others does not exceed 5% of the account.

GIANTPLUS TECHNOLOGY CO., LTD.

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

Item	2025			2024		
	Classified as Cost of Revenue	Classified as Operating Expenses	Total	Classified as Cost of Revenue	Classified as Operating Expenses	Total
Employee benefit expenses						
Salary expenses	\$943,778	\$265,690	\$1,209,468	\$1,043,737	\$287,302	\$1,331,039
Labor and health insurance expenses	97,308	25,357	122,665	100,982	25,900	126,882
Retirement benefit expenses	45,548	13,602	59,150	45,049	12,169	57,218
Directors' remuneration	-	2,022	2,022	-	1,878	1,878
Others	50,191	12,558	62,749	39,848	11,809	51,657
	<u>\$1,136,825</u>	<u>\$319,229</u>	<u>\$1,456,054</u>	<u>\$1,229,616</u>	<u>\$339,058</u>	<u>\$1,568,674</u>
Depreciation expenses	<u>\$278,293</u>	<u>\$41,249</u>	<u>\$319,542</u>	<u>\$266,823</u>	<u>\$32,427</u>	<u>\$299,250</u>
Amortization expenses	<u>\$42</u>	<u>\$51,551</u>	<u>\$51,593</u>	<u>\$35</u>	<u>\$51,107</u>	<u>\$51,142</u>

Notes:

- The average number of employees for the current year and the prior year was 1,414 and 1,549, respectively. The number of directors who did not concurrently serve as employees was 6 for both years.
- Average employee benefit expenses amounted to \$1,033 thousand for the current year and \$1,015 thousand for the prior year.
- Average employee salary expenses amounted to \$859 thousand for the current year and \$863 thousand for the prior year.
- The change in average employee salary expenses was (0.46%).
- The Company did not have any supervisors during both the current year and the prior year.
- Information on the Company's remuneration policy (including directors, managerial officers and employees) is as follows:
 - Directors and managerial officers
 - The Company's remuneration policy is formulated in compliance with relevant laws and regulations and is sufficient to attract outstanding talent.
 - The performance evaluation and remuneration of directors and managerial officers are determined with reference to prevailing practices within the industry and take into consideration the time devoted, responsibilities undertaken, achievement of individual objectives, performance in other positions held, remuneration levels granted to personnel in similar positions in recent years, as well as the relationship between individual performance, the Company's operating performance, achievement of short-term and long-term business objectives, financial condition, and future risks.
 - Directors' remuneration includes remuneration and directors' bonuses in accordance with the Articles of Incorporation, as well as transportation and travel expenses incurred in connection with the performance of duties.
 - Managerial officers' compensation includes salaries, seasonal bonuses (or year-end bonuses), performance bonuses, employee bonuses (in accordance with the Articles of Incorporation), employee stock options, retirement and severance payments, and other benefits.

(2) Employees

- A. Employee compensation is determined with reference to market salary levels, the Company's operating conditions, and organizational structure. Adjustments are made as appropriate based on changes in market salary trends, the overall economy, industry conditions, and applicable laws and regulations.
- B. Employee salaries and remuneration are determined based on academic background, professional knowledge and skills, years of professional experience, and individual performance, and are not differentiated based on age, gender, race, religion, political affiliation, marital status, or union membership.
- C. Bonuses are paid based on the Company's operating performance and employees' individual performance.
- D. The starting salaries of employees without prior work experience and foreign workers comply with applicable laws and regulations.
- E. Employee compensation includes salaries, seasonal bonuses (or year-end bonuses), performance bonuses, employee bonuses (in accordance with the Articles of Incorporation), employee stock options, and retirement and severance payments.