

Eris Technology Corporation and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Report For the Three Months Ended March 31, 2026 and 2025

Address: 6F, No. 17, Ln. 155, Sec. 3, Beishen Rd., Shenkeng Dist., New Taipei City,
22203 Taiwan (R.O.C)

Tel: (02)26620011

For the convenience of readers, the independent auditors' report and the accompanying consolidated 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 consolidated financial statements shall prevail.

Table of Contents

	<u>Item</u>	<u>Page</u>	<u>Number of Notes to Financial Statements</u>
1.	Cover	1	-
2.	Table of Contents	2	-
3.	Independent Auditors' Report	3	-
4.	Consolidated Balance Sheets	4	-
5.	Consolidated Statement of Comprehensive Income	5~6	-
6.	Consolidated Statement of Changes in Equity	7	-
7.	Consolidated Statements of Cash Flows	8~9	-
8.	Notes to Consolidated Financial Statements		
	a. Company History	10	1
	b. Date and Procedures of Authorization of Financial Statements	10	2
	c. Application of New and Amended Standards and Interpretations	10~11	3
	d. Summary of Significant Accounting Policies	11~12	4
	e. The Primary Sources of Uncertainties in Major Accounting Judgments, Estimates, and Assumptions	12	5
	f. Details of Significant Accounts	12~29	6~25
	g. Related Party Transactions	30~32	26
	h. Pledged Assets	32	27
	i. Significant Contingent Liabilities and Unrecognized Contract Commitments	32	28
	j. Significant Disaster Loss	-	-
	k. Significant Events after the Balance Sheet Date	-	-
	l. Others	32~34	29
	m. Supplementary Disclosures		
	1) Information on Significant Transactions	34, 36~38	30
	2) Information on Invested Companies	34,39	30
	3) Information on Investments in Mainland China	34, 40~41	30
	n. Segment Information	34~35	31

Independent Auditors' Report

To: The Board of Directors and Shareholders of Eris Technology Corp.

Introduction

The consolidated balance sheets of Eris Technology Corporation and its subsidiaries as of March 31, 2026 and the restated March 31, 2025, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the three-month periods then ended, as well as the notes to the consolidated financial statements (including a summary of significant accounting policies), have been reviewed by us.

The preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting," as endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, are the responsibility of the management. Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

Scope of Review

The accountants performed the review work in accordance with the review standard No. 2410 "Review of Financial Statements". The procedures performed in reviewing the consolidated financial statements include inquiries (principally of those responsible for financial and accounting matters), analytical procedures and other review procedures. The scope of the audit work is obviously smaller than that of the audit work, so the accountant may not be able to detect all the major matters that can be identified through the audit work, and therefore cannot express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Eris Technology Corporation and its subsidiaries as of March 31, 2026 and the restated March 31, 2025, and their consolidated financial performance and consolidated cash flows for the three-month periods then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting," as endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Deloitte & Touche
Certified Public Accountant
Sabrina Liu

Certified Public Accountant
Jimmy Wu

Approval number of
the Financial Supervisory Commission
the Jin Guan Zheng Shen Zi No. 1100356048

Approval number
of the Financial Supervisory Commission
the Jin Guan Zheng Shen Zi No. 1010028123

April 29, 2026

Eris Technology Corp. and Subsidiaries

Consolidated Balance Sheets

As of March 31, 2026, and December 31 and March 31, 2025

(Reviewed only, not audited in accordance with Generally Accepted Auditing Standards)

Unit: NT\$ Thousands

Code	Assets	March 31, 2026		December 31, 2025		March 31, 2025	
		Amount	%	Amount	%	Amount	%
	Current assets						
1100	Cash and Cash equivalents (Note 6)	\$ 693,826	14	\$ 665,979	14	\$ 1,037,897	20
1110	Financial assets at fair value through profit or loss – current (Notes 7)	-	-	-	-	3,779	-
1136	Financial assets at amortized cost - current (Note 8 and 27)	124,422	3	122,262	3	57,273	1
1150	Notes receivable (Note 9 and 19)	1,879	-	1,224	-	935	-
1170	Trade receivables, net (Note 9 and 19)	296,734	6	275,510	6	278,764	6
1180	Trade receivables from related parties (Note 9, 19 and 26)	322,803	7	326,166	7	274,310	5
1200	Other receivables (Note 26)	16,167	-	12,656	-	15,258	-
1220	Current period income tax assets	2,749	-	2,742	-	-	-
130X	Inventories (Note 10)	527,770	11	462,934	10	585,841	12
1470	Prepayments and other current assets	26,399	1	11,041	-	20,341	-
11XX	Total current assets	<u>2,012,749</u>	<u>42</u>	<u>1,880,514</u>	<u>40</u>	<u>2,274,398</u>	<u>44</u>
	Non-current assets						
1540	Financial assets at amortized cost - non-current (Note 8 and 27)	-	-	-	-	14,133	-
1600	Property, plant and equipment (Note 12, 27 and 28)	2,330,550	49	2,336,673	50	2,212,999	43
1755	Right-of-use assets (Note 13)	133,308	3	137,622	3	155,436	3
1805	Goodwill (Note 14)	58,728	1	58,728	1	58,728	1
1821	Intangible assets (Note 15)	68,760	1	68,896	2	59,949	1
1840	Deferred tax assets (Note 4 and 21)	172,475	4	189,142	4	231,509	5
1915	Prepayments for equipment (Note 28)	7,704	-	10,271	-	99,436	2
1920	Refundable deposits	7,163	-	7,286	-	7,924	-
1990	Other non-current assets	3,781	-	6,301	-	19,194	1
15XX	Total non-current assets	<u>2,782,469</u>	<u>58</u>	<u>2,814,919</u>	<u>60</u>	<u>2,859,308</u>	<u>56</u>
1XXX	Total assets	<u>\$ 4,795,218</u>	<u>100</u>	<u>\$ 4,695,433</u>	<u>100</u>	<u>\$ 5,133,706</u>	<u>100</u>
	Liabilities and equity						
	Current liabilities						
2100	Short-term borrowings (Note 16 and 27)	\$ 623,072	13	\$ 607,758	13	\$ 590,000	11
2120	Financial liabilities at fair value through profit or loss - current (Note 7)	1,049	-	-	-	1,425	-
2170	Trade payables	307,829	7	253,277	5	273,507	5
2180	Trade payables from related parties (Note 26)	47,214	1	23,987	1	15,115	-
2200	Other payables (Note 17)	197,115	4	254,251	6	195,717	4
2220	Other Trade payables from related parties (Note 26)	-	-	9,514	-	138,524	3
2230	Current tax liabilities (Note 4 and 21)	13,488	-	9,130	-	32,766	1
2280	Lease liabilities - current (Note 13 and 26)	16,761	-	16,887	-	18,323	-
2320	Long-term liabilities due within one year (Note 16 and 27)	36,236	1	36,173	1	35,981	1
2399	Other current liabilities (Note 19)	33,906	1	37,319	1	30,394	1
21XX	Total current liabilities	<u>1,276,670</u>	<u>27</u>	<u>1,248,296</u>	<u>27</u>	<u>1,331,752</u>	<u>26</u>
	Non-current liabilities						
2540	Long-term borrowings (Note 16 and 27)	741,058	15	750,143	16	627,294	12
2570	Deferred tax liabilities (Note 4 and 21)	19,370	-	19,065	-	21,135	-
2580	Lease liabilities - non-current (Note 13 and 26)	118,934	3	122,782	3	138,396	3
2645	Deposit Margin	12	-	12	-	12	-
2670	Other non-current liabilities	8,280	-	8,521	-	-	-
25XX	Total non-current liabilities	<u>887,654</u>	<u>18</u>	<u>900,523</u>	<u>19</u>	<u>786,837</u>	<u>15</u>
2XXX	Total liabilities	<u>2,164,324</u>	<u>45</u>	<u>2,148,819</u>	<u>46</u>	<u>2,118,589</u>	<u>41</u>
	Equity attributable to owners of the Company (Note 18)						
3100	Share Capital	530,579	11	530,579	11	547,039	11
3200	Capital surplus	1,473,611	31	1,473,611	32	1,517,949	29
	Retained earnings						
3310	Legal reserve	220,530	4	220,530	5	176,501	3
3320	Special reserve	686	-	686	-	2,598	-
3350	Unappropriated earnings	331,669	7	251,573	5	692,044	14
3300	Total retained earnings	<u>552,885</u>	<u>11</u>	<u>472,789</u>	<u>10</u>	<u>871,143</u>	<u>17</u>
3400	Other equity	1,329	-	(453)	-	531	-
31XX	Total equity attributable to owners of parent	<u>2,558,404</u>	<u>53</u>	<u>2,476,526</u>	<u>53</u>	<u>2,936,662</u>	<u>57</u>
36XX	Non-controlling interests	72,490	2	70,088	1	78,455	2
3XXX	Total equity	<u>2,630,894</u>	<u>55</u>	<u>2,546,614</u>	<u>54</u>	<u>3,015,117</u>	<u>59</u>
	Total liabilities and equity	<u>\$ 4,795,218</u>	<u>100</u>	<u>\$ 4,695,433</u>	<u>100</u>	<u>\$ 5,133,706</u>	<u>100</u>

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

Eris Technology Corp. and Subsidiaries

Consolidated Statements of Comprehensive Income For the three months ended March 31, 2026 and 2025

(Reviewed only, not audited in accordance with Generally Accepted Auditing Standards)
Unit: NTS Thousands, Except for Earnings Per Share In NTS

Code		Three Months Ended March 31, 2026		Three Months Ended March 31, 2025	
		Amount	%	Amount	%
	Operating revenue (Note 19 and 26)				
4110	Sales	\$ 691,972	101	\$ 636,700	102
4170	Less: Sales return and allowance	(7,374)	(1)	(11,440)	(2)
4000	Net operating revenue	<u>684,598</u>	100	<u>625,260</u>	100
5000	Operating costs (Note 10、20 and 26)	<u>422,644</u>	<u>62</u>	<u>387,889</u>	<u>62</u>
5900	Gross Profit	<u>261,954</u>	<u>38</u>	<u>237,371</u>	<u>38</u>
	Operating expenses (Note 20)				
6100	Selling and marketing expenses	23,946	3	26,110	4
6200	General and administrative expenses	67,018	10	62,893	10
6300	Research and development expenses	<u>68,710</u>	<u>10</u>	<u>69,393</u>	<u>11</u>
6000	Total operating expenses	<u>159,674</u>	<u>23</u>	<u>158,396</u>	<u>25</u>
6900	Net operating income	<u>102,280</u>	<u>15</u>	<u>78,975</u>	<u>13</u>
	Non-operating income and expenses				
7100	Interest income	1,225	-	1,510	-
7190	Other income	3	-	36	-
7210	Gains on disposal of property, plant and equipment	60	-	19	-
7230	Foreign exchange gain (loss) (Note20)	7,965	1	9,299	2
7235	Net gain (loss) on financial instruments at fair value through profit or loss	(418)	-	1,795	-
7510	Interest expense (Note26)	(7,657)	(1)	(6,984)	(1)
7000	Total non-operating income and expenses	<u>1,178</u>	<u>-</u>	<u>5,675</u>	<u>1</u>

(Continued on the next page)

(Continued from the previous page)

Code		Three Months Ended March 31, 2026		Three Months Ended March 31, 2025	
		Amount	%	Amount	%
7900	Net profit before income tax	\$ 103,458	15	\$ 84,650	14
7950	Income tax expenses (Notes 4 and 21)	(20,960)	(3)	(7,411)	(1)
8200	Net profit for the period	<u>82,498</u>	<u>12</u>	<u>77,239</u>	<u>13</u>
	Other comprehensive gains and losses				
8360	Items that may be reclassified to profit or loss in the future				
8361	Exchange differences on translating the financial statements of foreign operations	2,227	-	1,521	-
8399	Income taxes related to components of other comprehensive income that will be reclassified to profit and loss (Note 4 and 21)	(445)	-	(304)	-
8300	Other comprehensive income/(loss) for the period (after net income tax)	<u>1,782</u>	<u>-</u>	<u>1,217</u>	<u>-</u>
8500	Total comprehensive income for the period	<u>\$ 84,280</u>	<u>12</u>	<u>\$ 78,456</u>	<u>13</u>
	Net Profit attributable to :				
8610	Owners of parent	\$ 80,096	12	\$ 73,911	12
8620	Non-controlling interests	<u>2,402</u>	<u>-</u>	<u>3,328</u>	<u>-</u>
8600		<u>\$ 82,498</u>	<u>12</u>	<u>\$ 77,239</u>	<u>12</u>
	Comprehensive income attributable to:				
8710	Owners of parent	\$ 81,878	12	\$ 75,128	12
8720	Non-controlling interests	<u>2,402</u>	<u>-</u>	<u>3,328</u>	<u>1</u>
8700		<u>\$ 84,280</u>	<u>12</u>	<u>\$ 78,456</u>	<u>13</u>
	Earnings per share (Note 22)				
9710	Basic	<u>\$ 1.51</u>		<u>\$ 1.35</u>	
9810	Diluted	<u>\$ 1.51</u>		<u>\$ 1.35</u>	

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

Eris Technology Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
For the three months ended March 31, 2026 and 2025
(Reviewed only, not audited in accordance with Generally Accepted Auditing Standards)
(Expressed in Thousands of New Taiwan Dollars)

		Equity attributable to the owners of the company (Notes 18)										
		Capital			Retained earnings				Other equity			
Code		Ordinary shares	Stock dividends to be distributed	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translating the financial statements of foreign operations	Total	non-controlling interests	Total equity
A1	Balance as of January 1, 2025	54,704	\$ 547,039	\$1,517,949	\$ 176,501	\$ 2,598	\$ 618,133	\$ 797,232	(\$ 686)	\$2,861,534	\$ 75,127	\$2,936,661
D1	Net profit for the three months ended March 31, 2025	-	-	-	-	-	73,911	73,911	-	73,911	3,328	77,239
D3	Other comprehensive income/(loss) for the three months ended March 31, 2025 after tax	-	-	-	-	-	-	-	1,217	1,217	-	1,217
D5	Total comprehensive income/(loss) for the three months ended March 31, 2025	-	-	-	-	-	73,911	73,911	1,217	75,128	3,328	78,456
Z1	Balance as of March 31, 2025	<u>54,704</u>	<u>\$ 547,039</u>	<u>\$1,517,949</u>	<u>\$ 176,501</u>	<u>\$ 2,598</u>	<u>\$ 692,044</u>	<u>\$ 871,143</u>	<u>\$ 531</u>	<u>\$2,936,662</u>	<u>\$ 78,455</u>	<u>\$3,015,117</u>
A1	Balance as of January 1, 2026	53,058	\$ 530,579	\$1,473,611	\$ 220,530	\$ 686	\$ 251,573	\$ 472,789	(\$ 453)	\$2,476,526	\$ 70,088	\$2,546,614
D1	Net profit for the three months ended March 31, 2026	-	-	-	-	-	80,096	80,096	-	80,096	2,402	82,498
D3	Other comprehensive income/(loss) for the three months ended March 31, 2026 after tax	-	-	-	-	-	-	-	1,782	1,782	-	1,782
D5	Total comprehensive income/(loss) for the three months ended March 31, 2026	-	-	-	-	-	80,096	80,096	1,782	81,878	2,402	84,280
Z1	Balance as of March 31, 2026	<u>53,058</u>	<u>\$ 530,579</u>	<u>\$1,473,611</u>	<u>\$ 220,530</u>	<u>\$ 686</u>	<u>\$ 331,669</u>	<u>\$ 552,885</u>	<u>\$ 1,329</u>	<u>\$2,558,404</u>	<u>\$ 72,490</u>	<u>\$2,630,894</u>

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

Eris Technology Corp. and Subsidiaries
Consolidated Statements of Cash Flows
For the three months ended March 31, 2026 and 2025
(Reviewed only, not audited in accordance with Generally Accepted Auditing Standards)
Unit: NTS Thousands

Code		Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
	Cash flows from operating activities		
A10000	Net Profit before tax for the period	\$ 103,458	\$ 84,650
A20010	Adjustments for:		
A20100	Depreciation expenses	58,723	51,036
A20200	Amortization expenses	5,010	8,813
A20400	Net (gain)/loss on financial instruments at fair value through profit or loss	510	(2,035)
A20900	Interest expense	7,657	6,984
A21200	Interest income	(1,225)	(1,510)
A22500	Gains on disposal of property, plant and equipment	(60)	(19)
A23800	Inventory write-downs and obsolete losses	3,100	-
A24100	Unrealized gain on foreign currency exchange	(204)	(4,513)
A30000	Net changes in operating assets and liabilities		
A31115	Financial instruments measured at fair value through profit or loss	539	467
A31130	Notes receivable	(655)	755
A31150	Trade receivables	(22,652)	10,708
A31160	Trade receivables from related parties	5,645	148,693
A31180	Other receivables	(2,866)	2,896
A31200	Inventories	(67,936)	(47,238)
A31240	Prepayments and other current assets	(15,358)	(6,927)
A32150	Trade payables	54,181	(49,741)
A32160	Trade payables from related parties	22,853	4,462
A32180	Other payables	(53,418)	(52,207)
A32230	Other current liabilities	(3,654)	6,199
A33000	Cash generated from operations	93,648	161,473
A33100	Interest received	580	766
A33300	Interest paid	(7,548)	(7,110)
A33500	Income tax received (paid)	(82)	59
AAAA	Net cash generated from operating activities	<u>86,598</u>	<u>155,188</u>

(Continued on the next page)

(Continued from the previous page)

Code		Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
	Cash flows from investing activities		
B00040	Acquiring financial assets measured at amortized cost	(\$ 2,000)	\$ -
B02700	Acquisition of property, plant and equipment	(35,953)	(3,817)
B02800	Proceeds from disposal of property, plant and equipment	60	19
B03800	Decrease in refundable deposits	123	152
B04500	Payments for intangible assets	(2,353)	-
B06700	Increase in other non-current assets	-	(5,760)
B07100	Increase in prepayments for equipment	(<u>22,322</u>)	(<u>14,454</u>)
BBBB	Net cash used in investing activities	(<u>62,445</u>)	(<u>23,860</u>)
	Cash flows from financing activities		
C00100	Increase in short-term loans	15,216	-
C01600	long-term loans	100,000	100,000
C01700	Repayments of long-term borrowings	(109,022)	(108,960)
C04020	Repayments of principal portion of lease liabilities	(<u>4,725</u>)	(<u>5,529</u>)
CCCC	Net cash generated from/(used in) financing activities	<u>1,469</u>	(<u>14,489</u>)
DDDD	Effect of exchange rate changes on cash	<u>2,225</u>	<u>1,526</u>
EEEE	Increase in cash	27,847	118,365
E00100	Cash at the beginning of the period	<u>665,979</u>	<u>919,532</u>
E00200	Cash at the ending of the period	<u>\$ 693,826</u>	<u>\$ 1,037,897</u>

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

Eris Technology Corp. and Subsidiaries

Notes to Consolidated Financial Statements

For the three months ended March 31, 2026 and 2025

(Reviewed only, not audited in accordance with Generally Accepted Auditing Standards)

(Amount in NTS Thousands, Unless Specified Otherwise)

1. Company History

Eris Technology Corporation (the “Company”) was incorporated with the approval of the Ministry of Economic Affairs on August 16, 1995, and it mainly manufactures, sells and services for testing of components, such as rectifier diode, wafer, light-emitting diode, and related products.

The Securities and Futures Bureau of Financial Supervisory Commission approved the Company for the public offering of its stocks on August 13, 2009, and the shares have been listed on the Taipei Exchange (“TPEX”) Mainboard on June 29, 2012 with approval.

In August 2012, Diodes International B.V. (Diodes B.V.) became the parent company of the Company after its shareholding exceeded 50%. In January 2019, Diodes Holding B.V. merged with Diodes B.V. and assumed all of its rights and obligations. The related procedures were completed in August 2019. In January 2021, Diodes Holding B.V. was acquired by Diodes Holdings UK Limited, which also assumed all of its rights and obligations. As of March 31, 2026, Diodes Holdings UK Limited held 52.63% of the Company’s shares. The Company’s ultimate parent company is Diodes Incorporated (“Diodes”). Diodes Incorporated and its subsidiaries are hereinafter referred to as the Diodes Group.

The consolidated financial statements are presented in the New Taiwan dollar as the Company's functional currency.

2. Date and Procedures of Authorization of Financial Statements

The consolidated financial statements were approved by the Company's Board of Directors on April 29, 2026.

3. Application of New and Amended 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 “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The application of the amendments to the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Group accounting policies.

- b. IFRSs endorsed by the Financial Supervisory Commission applicable in 2026

b. New/Revised/Amended 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
IFRS 18 "Presentation and Disclosure of Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Subsidiaries without public liability: Disclosure" (including the 2025 amendment)	January 1, 2027
IAS 21 Amendment: "Converted to a highly inflated currency"	January 1, 2027

Note 1: Unless otherwise specified, the aforementioned New/Amended/Revised Standards and Interpretations shall be effective for the annual reporting period after the specified dates.

Note 2: On September 25, 2025, the Financial Supervisory Commission (FSC) announced that Taiwanese companies should apply IFRS 18 from January 1, 2028, or may choose to apply it earlier if the FSC approves IFRS 18.

IFRS 18 "Presentation and Disclosure of Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements". The main changes in this standard include:

- The income statement should divide income and expense items into operating, investment, financing, income tax and closed unit types.
- The profit and loss statement should present operating profit and loss, profit and loss before financing and income tax, and the subtotal and total of profit and loss.
- Provide guidance to strengthen aggregation and segmentation requirements: Merging companies must identify assets, liabilities, equity, income, expenses, losses and cash flows from individual transactions or other matters, and classify and aggregate them on the basis of common characteristics so that the main Each line item presented in the financial statements has at least one similar characteristic. Items with different characteristics should be broken down in the main financial statements and notes. The merged company will label these items as "other" only if it cannot find a more informative name.
- Increase the disclosure of performance measures defined by management: When the merged company conducts public communications outside of financial statements and communicates management's views on a certain aspect of the merged company's overall financial performance to users of financial statements, it should include a single note in the financial statements. Disclose information related to performance measurement defined by management, including the description of the measurement, how it is calculated, its reconciliation with the subtotal or total specified in IFRS accounting standards, and the income tax and non-controlling interest effects of related reconciliation items.

In addition, IAS 7 "Statement of Cash Flows" has been amended as follows:

- When a consolidated company prepares cash flows from operating activities using the indirect method, operating profit or loss should be used as the starting point for reconciliation.
- Interest and dividends received by the consolidated company should be classified as investing activities, while interest and dividends paid should be classified as financing activities. If the consolidated company is assessed to have a specific principal operating activity, the types of dividend income, interest income, and interest expense reported in the income statement must be considered to determine the classification of dividends received, interest received, and interest paid in the statement of cash flows. However, each of the above cash flows can only be classified in a single activity in the statement of cash flows.

Besides the above impacts, as of the date of this consolidated financial statement, the consolidated company continues to assess the other impacts of the amendments to the standards and interpretations on its financial position and financial performance. These impacts will be disclosed upon completion of the assessment.

4. Summary of Significant Accounting Policies

a. Statement of compliance

The consolidated financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, other regulations and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. The consolidated financial statements do not present all the disclosures required for a complete set of annual consolidated financial statements prepared under the IFRSs.

b. Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis except for financial instruments at fair value.

The fair value measurement is classified into Levels 1 to 3 based on the observability and importance of the related inputs:

- 1) Level 1 inputs refer to the quoted prices (unadjusted) in active markets for identical assets or liabilities on the measurement date;
- 2) Level 2 inputs refer to the 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 refer to the unobservable inputs for an asset or liability.

c. Basis of Consolidation

The Consolidated Financial Statements include the financial statements of the Company and entities controlled by the Company (subsidiaries). The financial statements of the subsidiaries have been adjusted to bring their accounting policies in line with those used by the Group. All intergroup transactions, balances, income and expenses are eliminated in full as preparing the consolidated financial statements. A subsidiary's total comprehensive income is attributed to the owners of the Company and non-controlling interests, even if non-controlling interests become having deficit balances in the process.

When a change in the Group's ownership interests in a subsidiary does not cause a loss of control over the subsidiary, it shall be treated as an equity transaction. The carrying amounts of the Group and its non-controlling interests have been adjusted to reflect the relative changes in the interest in the subsidiaries. The difference between the adjustment amount of non-controlling interests and the fair value of the consideration paid or collected shall be directly recognized in equity attributable to the owners of the Company.

Please refer to Note 11 and Tables 4 and 5 for details, shareholding ratio, and operations of subsidiaries.

d. Other significant accounting policies

Except to the following instructions, please refer to the summary of significant accounting policies in the 2025 Consolidated Financial Report.

Income Tax Expense

Income tax expense represents the total amount of current income tax and deferred income tax. For interim periods, income tax is assessed on an annual basis, and the tax expense is calculated by applying the estimated average annual effective tax rate to the pre-tax income of the interim period.

5. Significant Accounting Judgments, Estimates, and Sources of Estimation Uncertainty

Please refer to the disclosures regarding significant accounting judgments, estimates, and the main sources of estimation uncertainty in the consolidated financial statements for the year 2025.

6. Cash and cash equivalents

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Cash on hand	\$ 1,559	\$ 1,527	\$ 1,383
Bank Checks and Demand Deposits	504,923	466,253	562,255
Foreign Currency Demand Deposits	187,344	158,199	334,259
Cash Equivalents (Investments with Original Maturities of Three Months or Less)			
Time Deposits	-	40,000	140,000
	<u>\$ 693,826</u>	<u>\$ 665,979</u>	<u>\$1,037,897</u>

The market rate intervals of demand deposits at the balance sheet date were as follows:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Demand Deposits	0.01%~0.75%	0.01%~0.73%	0.03%~0.80%
Time Deposits	-	1.47%	1.47%

7. Financial Instruments at Fair Value Through Profit or Loss

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial Asset - current</u>			
Held for trading			
–Cross-currency swap Contract (a)	\$ -	\$ -	\$ 3,779
<u>Financial liabilities - current</u>			
Held for trading			
–Forward foreign exchange contracts (b)	\$ -	\$ -	\$ 43
–Exchange rate options (c)	1,049	-	1,382
	<u>\$ 1,049</u>	<u>\$ -</u>	<u>\$ 1,425</u>

- a. The Cross-currency swap contracts that have not adopted hedge accounting and are not yet matured as of the balance sheet date are as follows: (March 31, 2026 and December 31, 2025: None)

March 31, 2025

Currency	Maturity Period	Contract Amount (In Thousands)	
USD : NTD	From May 2025 to October 2025	USD 2,000	/ NTD 61,938

- b. The forward foreign exchange contracts that have not been designated as hedge accounting and are not yet matured as of the balance sheet date are as follows: (March 31, 2026 and December 31, 2025: None)

March 31, 2025

	Currency	Maturity Period	Notional Amount (In Thousands)
Sales of forwarding foreign exchange	USD : NTD	May 2025	USD 500/NTD 16,505

- c. The exchange rate option contracts that have not expired on the balance sheet date are as follows : (December 31, 2025: None)

March 31, 2026

Contract amount (NT\$ thousand)	Transaction type	Call/Sell	Maturity Period	Agreed exchange rate
USD 2,000	Call Option	Seller	June 2026	USD : TWD 32.00

March 31, 2025

Contract amount (NT\$ thousand)	Transaction type	Call/Sell	Maturity Period	Agreed exchange rate
USD 1,000	Call Option	Seller	April 2025	USD : TWD 32.80
USD 1,000	Call Option	Seller	April 2025	USD : TWD 33.00
USD 1,000	Call Option	Seller	August 2025	USD : TWD 33.82
USD 1,000	Call Option	Seller	June 2025	USD : TWD 33.70
USD 1,000	Call Option	Seller	September 2025	USD : TWD 33.80
USD 1,000	Call Option	Seller	September 2025	USD : TWD 33.60
USD 1,000	Call Option	Seller	May 2025	USD : TWD 33.30

8. Financial assets at amortized cost

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Current</u>			
Unpledged bank deposits			
Time deposits with original maturity of more than 3 months	\$ 55,568	\$ 55,408	\$ -
Pledged bank deposits			
Time deposits with original maturity of more than 3 months	3,400	3,400	32,064
Restricted demand deposits	<u>65,454</u>	<u>63,454</u>	<u>25,209</u>
	<u>\$ 124,422</u>	<u>\$ 122,262</u>	<u>\$ 57,273</u>
<u>Non-current</u>			
Pledged bank deposits			
Restricted demand deposits	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,133</u>

The market rate intervals of the above assets at the balance sheet date were as follows:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Time deposits with original maturity of more than 3 months	1.10%~1.52%	0.67%~1.52%	1.63%~5.10%
Restricted demand deposits	0.64%~0.73%	0.64%~0.73%	0.64%~0.73%

Please refer to Note 27 for information relating to financial assets at amortized cost pledged as security.

9. Notes Receivable and Trade Receivables

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Notes receivable</u>			
Measured at amortized cost			
Total carrying amount	<u>\$ 1,879</u>	<u>\$ 1,224</u>	<u>\$ 935</u>
<u>Trade receivables</u>			
Measured at amortized cost			
Total carrying amount	\$ 299,229	\$ 277,972	\$ 287,345
Less: loss allowance	(2,495)	(2,462)	(8,581)
Trade receivables, net	<u>\$ 296,734</u>	<u>\$ 275,510</u>	<u>\$ 278,764</u>
<u>Receivables from related parties</u>			
Measured at amortized cost			
Total carrying amount	<u>\$ 322,803</u>	<u>\$ 326,166</u>	<u>\$ 274,310</u>

The credit period of the consolidate company for commodity sales is about 30 days to 165 days. Since the credit period is short, no interest will be calculated.

In order to mitigate credit risk, the management of the Group's Company has assigned a dedicated team to be responsible for the decision of credit duration, credit approval and other monitoring procedures to ensure that appropriate actions are taken for the recovery of overdue accounts receivable. In addition, the Group's company will review the recoverable amount of the accounts receivable on the balance sheet date to ensure that the unrecoverable accounts receivable have been properly set aside for impairment losses. Accordingly, the management of the Group's believes that the credit risk of the merged company has been significantly reduced.

The Group's company recognizes the allowance loss for accounts receivable according to the expected credit loss during the existence period. The expected credit loss during the duration is based on the customer's past default record, current financial situation and industrial economic situation.

The loss allowance of trade receivables of the Group (including amounts due from related parties) was as follows:

March 31, 2026

	<u>Not Overdue</u>	<u>1~30 days overdue</u>	<u>31~60 days overdue</u>	<u>61~90 days overdue</u>	<u>90~121 days overdue</u>	<u>More than 121 days overdue</u>	<u>Total</u>
Total carrying amount	\$ 611,475	\$ 9,455	\$ 495	\$ 193	\$ -	\$ 414	\$ 622,032
Loss allowance (lifetime expected credit losses)	(1,698)	(241)	(97)	(45)	-	(414)	(2,495)
Amortized cost	\$ 609,777	\$ 9,214	\$ 398	\$ 148	\$ -	\$ -	\$ 619,537

December 31, 2025

	<u>Not Overdue</u>	<u>1~30 days overdue</u>	<u>31~60 days overdue</u>	<u>61~90 days overdue</u>	<u>90~121 days overdue</u>	<u>More than 121 days overdue</u>	<u>Total</u>
Total carrying amount	\$ 593,677	\$ 9,924	\$ 57	\$ 64	\$ -	\$ 416	\$ 604,138
Loss allowance (lifetime expected credit losses)	(1,992)	(40)	(5)	(9)	-	(416)	(2,462)
Amortized cost	\$ 591,685	\$ 9,884	\$ 52	\$ 55	\$ -	\$ -	\$ 601,676

March 31, 2025

	<u>Not Overdue</u>	<u>1~30 days overdue</u>	<u>31~60 days overdue</u>	<u>61~90 days overdue</u>	<u>90~121 days overdue</u>	<u>More than 121 days overdue</u>	<u>Total</u>
Total carrying amount	\$ 549,852	\$ 6,838	\$ 920	\$ 123	\$ 1,882	\$ 2,040	\$ 561,655
Loss allowance (lifetime expected credit losses)	(5,802)	(118)	(128)	(25)	(468)	(2,040)	(8,581)
Amortized cost	\$ 544,050	\$ 6,720	\$ 792	\$ 98	\$ 1,414	\$ -	\$ 553,074

The following is the information on changes in the allowance for doubtful accounts:

	<u>Three Months Ended March 31, 2026</u>	<u>Three Months Ended March 31, 2025</u>
Beginning balance	\$ 2,462	\$ 8,557
Foreign exchange translation differences	<u>33</u>	<u>24</u>
Ending balance	\$ <u>2,495</u>	\$ <u>8,581</u>

10. Inventories

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Raw Material	\$ 218,489	\$ 175,011	\$ 303,444
Work in progress	181,532	168,322	193,172
Finished goods	44,836	44,108	28,132
Buy & Sales	<u>82,913</u>	<u>75,493</u>	<u>61,093</u>
	\$ <u>527,770</u>	\$ <u>462,934</u>	\$ <u>585,841</u>

The nature of cost of goods sold is as follows:

	<u>March 31, 2026</u>	<u>March 31, 2025</u>
Cost of goods sold	\$ 419,544	\$ 387,889
Provision for inventory write-down	<u>3,100</u>	<u>-</u>
	\$ <u>422,644</u>	\$ <u>387,889</u>

11. Subsidiaries

a. Subsidiaries included in the consolidated financial statements

The entities involved in the preparation of the consolidated financial statements were as follows:

Name of Investor	Name of Subsidiary	Nature of business	Percentage of Ownership		
			March 31, 2026	December 31, 2025	March 31, 2025
The Company	Keep High Limited ("Keep High")	Holding of investments	100%	100%	100%
The Company	Yea Shin Technology Co., Ltd. ("Yea Shin")	Manufacturing of electronic components and wholesaling of electronic materials	96.1%	96.1%	96.1%
The Company	Erishin Semiconductor Corporation ("Erishin")	Manufacturing of electronic components and wholesaling of electronic materials	100%	100%	100%
The Company	SeCos Corporation ("SeCos")	Manufacturing of electronic parts and components R&D, design and sales	40%	40%	40%
Yea Shin	SeCos Corporation ("SeCos")	Manufacturing of electronic parts and components R&D, design and sales	60%	60%	60%
Keep High	Forever Eagle Incorporation ("Forever")	Holding of investments	100%	100%	100%
Forever	Jie Cheng Electronic (Shanghai) Co., Ltd. ("Jie Cheng")	Wholesaling of electronic materials and international trading business	100%	100%	100%

On April 3, 2008, the Company reinvested in Jie Cheng located in mainland China through a third region approved by the Investment Commission, Ministry of Economic Affairs (the MOEAIC). This company mainly engaged in wholesaling and international trading of electronic materials. As of March 31, 2026, the paid-in capital of Jie Cheng was US\$650 thousand.

In order to expand its scale of operations, the Group resolved in a board meeting on December 20, 2023 to acquire 7,200 thousand issued common shares of SeCos from its shareholders at a price of NT\$25 per share, totaling NT\$180,000 thousand. This represents a 40% ownership stake. The related equity transfer transaction was completed on January 2, 2024. The Company determined that it has substantive power over the relevant activities of SeCos and therefore classified it as a subsidiary.

In addition, in September 2024, Yea Shin Company acquired the remaining 60% of the outstanding shares of SeCos, amounting to 10,800 thousand shares, for a total consideration of NT\$194,400 thousand, and that gained control of SeCos. Since the above transaction did not change the merged company's control over SeCos, the merged company treated it as an equity transaction.

12. Property, Plant and Equipment

	Three Months Ended March 31, 2026							Total Cost
	Land	Houses and buildings	Machinery Equipment	Transportation Equipment	Leasehold Improvements	Other Equipment	Unfinished projects and equipment awaiting inspection	
<u>Cost</u>								
Balance as of January 1, 2026	\$ 574,129	\$ 514,058	\$ 2,282,012	\$ 18,847	\$ 491,193	\$ 37,703	\$ 81,234	\$ 3,999,176
Increase	-	266	21,014	-	4,855	-	21,366	47,501
Disposal	-	(2,751)	(25,362)	(725)	-	(343)	-	(29,181)
Internal transfer	-	-	21,216	-	10,787	-	(32,003)	-
Effect of exchange rate	-	-	-	34	-	26	-	60
March 31, 2026 Ending balance	<u>\$ 574,129</u>	<u>\$ 511,573</u>	<u>\$ 2,298,880</u>	<u>\$ 18,156</u>	<u>\$ 506,835</u>	<u>\$ 37,386</u>	<u>\$ 70,597</u>	<u>\$ 4,017,556</u>
<u>Accumulated depreciation</u>								
Balance as of January 1, 2026	\$ -	\$ 155,641	\$ 1,264,362	\$ 12,149	\$ 216,600	\$ 13,751	\$ -	\$ 1,662,503
Depreciation expense	-	7,566	35,938	457	8,261	1,437	-	53,659
Disposal	-	(2,751)	(25,362)	(725)	-	(343)	-	(29,181)
Effect of exchange rate	-	-	-	2	-	23	-	25
March 31, 2026 Ending balance	<u>\$ -</u>	<u>\$ 160,456</u>	<u>\$ 1,274,938</u>	<u>\$ 11,883</u>	<u>\$ 224,861</u>	<u>\$ 14,868</u>	<u>\$ -</u>	<u>\$ 1,687,006</u>
March 31, 2026 Net balance	<u>\$ 574,129</u>	<u>\$ 351,117</u>	<u>\$ 1,023,942</u>	<u>\$ 6,273</u>	<u>\$ 281,974</u>	<u>\$ 22,518</u>	<u>\$ 70,597</u>	<u>\$ 2,330,550</u>

	Three Months Ended March 31, 2025							Total Cost
	Land	Houses and buildings	Machinery Equipment	Transportation Equipment	Leasehold Improvements	Other Equipment		
<u>Cost</u>								
Balance as of January 1, 2025	\$ 593,991	\$ 547,276	\$ 2,084,986	\$ 21,612	\$ 407,064	\$ 34,383		\$ 3,689,312
Increase	-	270	93,375	-	45,409	2,105		141,159
Disposal	-	(937)	(12,265)	-	(100)	-		(13,302)
Internal transfer	-	-	5,150	-	16,382	1,476		23,008
Effect of exchange rate	-	-	-	39	-	18		57
March 31, 2025 Ending balance	<u>\$ 593,991</u>	<u>\$ 546,609</u>	<u>\$ 2,171,246</u>	<u>\$ 21,651</u>	<u>\$ 468,755</u>	<u>\$ 37,982</u>		<u>\$ 3,840,234</u>
<u>Accumulated depreciation</u>								
Balance as of January 1, 2025	\$ -	\$ 148,807	\$ 1,229,523	\$ 14,143	\$ 189,517	\$ 13,323		\$ 1,595,313
Depreciation expense	-	7,059	30,065	469	6,308	1,268		45,169
Disposal	-	(937)	(12,265)	-	(100)	-		(13,302)
Effect of exchange rate	-	-	-	37	-	18		55
March 31, 2025 Ending balance	<u>\$ -</u>	<u>\$ 154,929</u>	<u>\$ 1,247,323</u>	<u>\$ 14,649</u>	<u>\$ 195,725</u>	<u>\$ 14,609</u>		<u>\$ 1,627,235</u>
March 31, 2025 Net balance	<u>\$ 593,991</u>	<u>\$ 391,680</u>	<u>\$ 923,923</u>	<u>\$ 7,002</u>	<u>\$ 273,030</u>	<u>\$ 23,373</u>		<u>\$ 2,212,999</u>

The Group did not process any assessment for impairment due to no signs of impairment for the three months ended March 31, 2026 and 2025.

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

Houses and buildings	
Main buildings of the office	35 ~ 50 years
Building improvement	5 ~ 15 years
Machinery Equipment	2 ~ 15 years
Transportation Equipment	4~ 5 years
Leasehold Improvements	8 ~ 10years
Other Equipment	3 ~ 10 years

Please refer to Note 27for the amounts of property, plant and equipment pledged as collateral for borrowings.

13. Lease Arrangements

a. Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount of right-of-use assets			
Buildings	<u>\$ 133,308</u>	<u>\$ 137,622</u>	<u>\$ 155,436</u>

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Depreciation expense of right-of-use assets		
Buildings	<u>\$ 5,064</u>	<u>\$ 5,867</u>

b. Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount of lease liabilities			
Current	<u>\$ 16,761</u>	<u>\$ 16,887</u>	<u>\$ 18,323</u>
Non-current	<u>\$ 118,934</u>	<u>\$ 122,782</u>	<u>\$ 138,396</u>

Intervals of discount rates for lease liabilities were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Buildings	1.00%~2.00%	1.00%~2.00%	1.00%~2.71%

c. Other lease information

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Short term lease fees	<u>\$ 62</u>	<u>\$ 33</u>
Low value asset leasing expenses	<u>\$ 16</u>	<u>\$ 16</u>
Total cash outflow for leases	<u>\$ 5,486</u>	<u>\$ 6,313</u>

The consolidated company chooses to apply the recognition exemption to transportation equipment that qualifies as short-term leases and office equipment that qualifies as low-value asset leases, and does not recognize related right-of-use assets and lease liabilities for these leases.

14. Goodwill

	March 31, 2026	December 31, 2025	March 31, 2025
Cost	<u>\$ 58,728</u>	<u>\$ 58,728</u>	<u>\$ 58,728</u>

The acquisition of Yea Shin by the Group in July 2018 resulted in related goodwill of \$24,070 thousand, which mainly came from the expects of future economic benefits of the subsidiary.

The acquisition of SeCos by the Group in January 2024, resulting in related goodwill of NT\$34,658 thousand, which mainly came from the expects of future economic benefits of the subsidiary.

No impairment losses were recognized or reversed from January 1 to March 31, 2026 and 2025.

15. Intangible Assets

	Three Months Ended March 31, 2026			
	<u>Trademark rights</u>	<u>Computer Software</u>	<u>Customer Relationship</u>	<u>Total</u>
<u>Cost</u>				
Balance as of January 1, 2026	\$ 2,507	\$ 49,229	\$ 40,513	\$ 92,249
Obtained individually	<u>-</u>	<u>2,353</u>	<u>-</u>	<u>2,353</u>
Balance as of March 31, 2026	<u>\$ 2,507</u>	<u>\$ 51,582</u>	<u>\$ 40,513</u>	<u>\$ 94,602</u>
<u>Cumulative Amortization and Impairment</u>				
Balance as of January 1, 2026	\$ 2,507	\$ 14,515	\$ 6,331	\$ 23,353
Depreciation expense	<u>-</u>	<u>1,712</u>	<u>777</u>	<u>2,489</u>
Balance as of March 31, 2026	<u>\$ 2,507</u>	<u>\$ 16,227</u>	<u>\$ 7,108</u>	<u>\$ 25,842</u>
Net Amount as of March 31, 2026	<u>\$ -</u>	<u>\$ 35,355</u>	<u>\$ 33,405</u>	<u>\$ 68,760</u>

	Three Months Ended March 31, 2025			
	Trademark rights	Computer Software	Customer Relationship	Total
<u>Cost</u>				
Balance as of January 1, 2025	\$ 2,507	\$ 34,672	\$ 40,513	\$ 77,692
Disposal	-	(2,727)	-	(2,727)
Obtained individually	-	2,111	-	2,111
Balance as of March 31, 2025	<u>\$ 2,507</u>	<u>\$ 34,056</u>	<u>\$ 40,513</u>	<u>\$ 77,076</u>
<u>Cumulative Amortization and Impairment</u>				
Balance as of January 1, 2025	\$ 2,507	\$ 12,025	\$ 3,224	\$ 17,756
Depreciation expense	-	1,345	753	2,098
Disposal	-	(2,727)	-	(2,727)
Balance as of March 31, 2025	<u>\$ 2,507</u>	<u>\$ 10,643</u>	<u>\$ 3,977</u>	<u>\$ 17,127</u>
Net Amount as of March 31, 2025	<u>\$ -</u>	<u>\$ 23,413</u>	<u>\$ 36,536</u>	<u>\$ 59,949</u>

Amortization charge is accrued on a straight-line basis over the following useful years:

Computer Software	3~15 years
Customer Relationship	13 years

16. Borrowings

a. Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Secured loans</u>			
Bank loans	\$ 200,000	\$ 200,000	\$ 300,000
<u>Unsecured loans</u>			
Line of credit loans	380,000	380,000	290,000
Material purchase loan	43,072	27,758	-
	<u>\$ 623,072</u>	<u>\$ 607,758</u>	<u>\$ 590,000</u>

The interest rates on bank revolving loans were 1.80%~4.73%、1.80%~4.86% and 1.80%~2.04% per annum as of March 31, 2026, December 31 and March 31, 2025, respectively.

b. Long-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Secured loans</u>			
Bank loans (1)	\$ 45,045	\$ 46,492	\$ 50,778
Bank loans (2)	352,359	357,952	374,731
Bank loans (3)	150,000	150,000	100,000
Bank loans (4)	27,357	28,871	33,373
Bank loans (5)	70,000	70,000	-
<u>Non-Secured loans</u>			
Bank loans (6)	2,533	3,001	4,393
Bank loans (7)	100,000	100,000	100,000
Bank loans (8)	30,000	30,000	-
	777,294	786,316	663,275
Less: listed as portion matured in 1 year	(36,236)	(36,173)	(35,981)
Long-term borrowings	<u>\$ 741,058</u>	<u>\$ 750,143</u>	<u>\$ 627,294</u>

1) The bank loan of NT\$140,000 thousand was obtained by the Group at the end of June 2018, which are pledged by the land and buildings owned by the Company as collateral, with an interest rate of the loan calculated by the 2 year floating interest rate of time savings deposit plus 0.115% to be repaid in annual installments over 15 years. The maturity date of the loan was June 28, 2033. The effective annual interest rates were 1.9313% as of March 31, 2026, December 31 and March 31 2025, respectively.

- 2) The consolidated company obtained a bank loan of NT\$419,475 thousand on May 22, 2023. The bank loan was secured by the mortgage of the company's own land and buildings. The loan interest rate is calculated based on the three-month TAIBOR plus 0.5%. The interest is calculated quarterly. Payment, the principal is amortized to a specified amount quarterly, and the remaining principal is paid off in one lump sum when due. The loan maturity date is May 21, 2028. The effective interest rates were 1.98%、2.02% and 2.00% as of March 31, 2026, December 31 and March 31 2025, respectively.
- 3) The bank loan of NT\$100,000 thousand was obtained by the Group on September 26, 2024. The bank loan was secured by the Group own land and buildings as a mortgage guarantee. The loan interest rate is based on the two-year fixed deposit mobile interest rate plus 0.082% mobile interest calculation. The principal shall be paid off once upon maturity. In October 2025, the loan was renewed and an additional NT\$50,000 thousand was borrowed, with the new maturity date set for October 3, 2027. As of March 31, 2026, December 31 and March 31, 2025, the effective annual interest rates were 2.00%, 2.00%, and 1.9366%, respectively.
- 4) The bank loan of NT\$49,000 thousand was obtained by the Group on July 1, 2020, which are pledged by the land and buildings owned by the Group as collateral, with an interest rate of the loan calculated by the floating interest rate of one-month time savings deposit plus 0.08%, which should not be lower than 0.90%, and a grace period of two year to be averagely repaid after the period for the principal and the interests. The maturity date of the loan was June 30, 2030. The effective interest rates were 1.80% as of March 31 2026, December 31 and March 31 2025, respectively.
- 5) The Group obtained a bank loan of NT\$70,000 thousand at the end of April 11, 2025, the loan is secured by the consolidated company's own land and buildings. Interest is calculated at a fixed annual rate of 2.0% within one month from the drawdown date and is payable monthly. The loan maturity date is April 11, 2027. The effective annual interest rates as of March 31, 2026, and December 31, 2025 are 1.98% and 2.03%, respectively.
- 6) The bank loan of NT\$11,000 thousand was obtained by the Group on July 1, 2020, with an interest rate of the loan calculated by the floating interest rate of one-month time savings deposit plus 0.08%, which should not be lower than 0.98%, and a grace period of one year to be averagely repaid after the period for the principal and the interests. The maturity date of the loan was June 30, 2027. The effective interest rates were 1.80% as of March 31,2026, December 31 and March31 2025, respectively.
- 7) The bank loan of NT\$100,000 thousand was obtained by the Group on March 27, 2024. The interest rate on the bank loan is based on the 3-month TAIBOR plus a 0.5% floating spread. Interest is paid monthly, and the principal is repaid in full at maturity. The original maturity date of the loan was March 27, 2026, but the loan was refinanced in March 2026. After refinancing, the new maturity date is March 26, 2028. The effective annual interest rates as of March 31, 2026, December 31 and March 31, 2025, were 1.98%, 2.01%, and 2.00%, respectively.
- 8) The bank loan of NT\$30,000 thousand was obtained by the Group on April 11, 2025, which the interest rate on this loan is a fixed annual rate of 2.0% for one month from the automatic debit date, with interest paid monthly and the principal repaid in a lump sum at maturity. The loan maturity date is April 11, 2027. The effective annual interest rates as of March 31, 2026, and December 31, 2025 are 1.98% and 2.03%, respectively.

Please refer to Note 27 for information relating to assets pledged for secured borrowings.

17. Other Payables

	March 31, 2026	December 31, 2025	March 31, 2025
Salary and bonus payable	\$ 76,381	\$ 109,734	\$ 70,934
Utility fees payable	10,680	10,334	12,189
Processing fees payable	10,518	10,029	12,167
Other	99,536	124,154	100,427
	<u>\$ 197,115</u>	<u>\$ 254,251</u>	<u>\$ 195,717</u>

18. Equity

a. Share capital

	March 31, 2026	December 31, 2025	March 31, 2025
Number of shares authorized (in thousands)	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
Share capital authorized	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>
Number of shares issued (in thousands)	<u>53,058</u>	<u>53,058</u>	<u>54,704</u>
Share capital issued	<u>\$ 530,579</u>	<u>\$ 530,579</u>	<u>\$ 547,039</u>

Ordinary shares issued have a par value of \$10, and they're entitled to one vote right per share and a right to receive dividends.

b. Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
Issuance of shares at a premium	\$ 1,429,224	\$ 1,429,224	\$ 1,473,562
Recognition of changes in all equity interests in subsidiaries	43,538	43,538	43,538
Others	<u>849</u>	<u>849</u>	<u>849</u>
	<u>\$ 1,473,611</u>	<u>\$ 1,473,611</u>	<u>\$ 1,517,949</u>

The capital surplus from the premium from issuance of shares over the par value and the portion received as endowments may be used to offset a deficit; in addition, when a company has no deficit, it may also be distributed as cash dividends or transferred to share capital with a limit of transferring to a certain percentage of the paid-in capital every year.

c. Retained earnings and dividends policy

Under the policy of earnings distribution as set forth in the Articles of Incorporation, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing an earnings distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies of the Company on the distribution of employees' compensation, please refer to employees' compensation in Note 20(4).

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

The Board of Directors of the Company held a meeting on February 25, 2026, and the Annual General Shareholders' Meeting was held on May 28, 2025, during which the proposed and approved earnings distribution plans for the fiscal years 2025 and 2024, respectively, were as follows:

	For the Year Ended December 31, 2025	For the Year Ended December 31, 2024
Legal reserve	<u>\$ 14,346</u>	<u>\$ 44,029</u>
(Reversal) appropriation of special earnings reserve	<u>(\$ 233)</u>	<u>(\$ 1,912)</u>
Cash dividends	<u>\$ 212,232</u>	<u>\$ 273,520</u>
Cash Dividends Per Share (\$)	<u>\$ 4.0</u>	<u>\$ 5.0</u>

If the number of shares outstanding changes on the ex-dividend date, the dividend per share will be adjusted proportionally. The actual cash dividend per share after adjustment for 2024 is NT\$5.15.

The earnings distribution plan for the fiscal year 2025 is pending approval at the shareholders' meeting scheduled to be held on June 29, 2026.

d. Treasury Stock

On April 10, 2025, the Company's interim Board of Directors resolved to repurchase treasury shares for the purpose of maintaining the Company's credit and protecting shareholders' equity. The repurchase period is set from April 11, 2025, to June 9, 2025, with a planned repurchase of 3,000,000 shares. The repurchase price range is between NT\$110 and NT\$182. The Company will continue to repurchase shares even if the market price falls below the lower limit of the price range. As of April 28, 2025, the Company had repurchased a total of 1,646,000 shares by the end of the period, for a total amount of NT\$255,183,000.

On July 29, 2025, the Company's Board of Directors resolved to cancel 1,646,000 treasury shares with August 15, 2025 as the base date for capital reduction, and the relevant change registration has been completed.

19. Revenue

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025		
Revenue from contracts with customers				
Revenue from the sale of goods	<u>\$ 684,598</u>	<u>\$ 625,260</u>		
<u>Contract balances</u>				
	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Notes receivable and accounts receivable	<u>\$ 621,416</u>	<u>\$ 602,900</u>	<u>\$ 554,009</u>	<u>\$ 709,984</u>
Contract liabilities (included in other current liability)				
Sales of goods	<u>\$ 6,090</u>	<u>\$ 6,420</u>	<u>\$ 2,006</u>	<u>\$ 3,538</u>

20. Net Profit

Additional information on the net profit includes the following items:

a. Depreciation and amortization

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Property, plant and equipment	\$ 53,659	\$ 45,169
Right-of-use assets	5,064	5,867
Intangible assets	2,489	2,098
Others non-current assets	<u>2,521</u>	<u>6,715</u>
	<u>\$ 63,733</u>	<u>\$ 59,849</u>
Depreciation expenses summarized by function		
Operating costs	\$ 31,457	\$ 27,136
Operating expenses	<u>27,266</u>	<u>23,900</u>
	<u>\$ 58,723</u>	<u>\$ 51,036</u>
Amortization expenses summarized by function		
Operating costs	\$ 1,681	\$ 4,228
Operating expenses		
Sales expense	1,326	1,000
Management expense	405	827
R&D expenses	<u>1,598</u>	<u>2,758</u>
	<u>\$ 5,010</u>	<u>\$ 8,813</u>

b. Gains or losses on foreign currency exchange

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Total foreign exchange gains	\$ 11,062	\$ 12,673
Total foreign exchange losses	(<u>3,097</u>)	(<u>3,374</u>)
Net balance	<u>\$ 7,965</u>	<u>\$ 9,299</u>

c. Employee benefits expense

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Post-employment benefits		
Defined benefit plans	\$ 3,791	\$ 3,762
Salaries and bonus	<u>109,140</u>	<u>108,176</u>
	<u>\$ 112,931</u>	<u>\$ 111,938</u>
Summarized by function		
Operating costs	\$ 43,025	\$ 43,519
Operating expenses	<u>69,906</u>	<u>68,419</u>
	<u>\$ 112,931</u>	<u>\$ 111,938</u>

d. Employees' compensation

In accordance with the Company's Articles of Incorporation, 1% to 5% of the annual pre-tax profit, before deducting employee compensation, is allocated as employee compensation. Pursuant to the amended Securities and Exchange Act in August 2024, the Company plans to revise its Articles of Incorporation, subject to approval at the 2025 shareholders' meeting, to specify that 30% to 60% of the allocated employee compensation shall be distributed to frontline employees. The estimated employee compensation for the year 2026 and for the period from January 1 to March 31, 2025, is as follows:

Accrual rate

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Employees' compensation	1.82%	1.09%

Amount of Cash

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Employees' compensation	<u>\$ 1,600</u>	<u>\$ 800</u>

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in accounting estimates and adjusted in the next year.

The board of directors of the Company held on February 25, 2026 and April 30, 2025 to approve the employees' compensation for years ended December 31, 2025 and 2024 as follows:

Amount of Cash

	For the Year Ended December 31, 2025	For the Year Ended December 31, 2024
Employees' compensation	\$ 3,100	\$ 8,000

The actual amounts distributed as employee compensation for the fiscal years 2025 and 2024 were consistent with the amounts recognized in the consolidated financial statements for the respective years.

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

21. Income Tax

a. Income tax recognized in profit or loss

Major components of income tax expense were as follows:

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Current income tax		
In respect of the period	(\$ 4,433)	(\$ 4,455)
Deferred income tax		
In respect of the period	(<u>16,527</u>)	(<u>2,956</u>)
Income tax recognized in profit or loss	(<u>\$ 20,960</u>)	(<u>\$ 7,411</u>)

b. Income tax recognized in other comprehensive income

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
<u>Deferred income tax</u>		
Derived from this period		
- Translations of foreign operations	(\$ <u>445</u>)	(\$ <u>304</u>)
Income tax recognized in other comprehensive income(Loss)	(<u>\$ 445</u>)	(<u>\$ 304</u>)

c. Income tax assessments

The profit-seeking enterprise income tax filing case of the Company has been approved by the tax authority through the year ended December 31, 2023; The profit-seeking enterprise income tax filing case of the subsidiary, Yea Shin and SeCos have been approved by the tax authority through the year ended December 31, 2024.

22. Earnings per Share

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
		Unit: per share/NTD
Basic earnings per share	\$ <u>1.51</u>	\$ <u>1.35</u>
Diluted earnings per share	\$ <u>1.51</u>	\$ <u>1.35</u>

Net profit and the weighted average number of common shares used to calculate earnings per share are as follows:

Net profit attributable to shareholders of the parent company

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Used to calculate net profit per diluted earnings per share	\$ <u>80,096</u>	\$ <u>73,911</u>

Number of shares

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
		Unit: thousand shares
Weighted average number of common shares used to calculate basic earnings per share	53,058	54,704

Impact of potentially dilutive common shares:

Employee compensation	<u>19</u>	<u>28</u>
Weighted average number of common shares used to calculate diluted earnings per share	<u>53,077</u>	<u>54,732</u>

If the Group offered to settle the employees' compensation in cash or shares, it assumed the entire amount of the compensation will be settled in shares, and the resulting potential shares were 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 ordinary shares is included in the computation of diluted earnings per share until the number of shares to be distributed as employees' compensation in the resolution in the next year.

23. Cash Flow Information

a. Non-Cash Transactions

Except as disclosed in other notes, the consolidated company conducted the following non-cash investment activities from January 1 to March 31, 2026 to March 31, 2025:

	<u>Three Months Ended March 31, 2026</u>	<u>Three Months Ended March 31, 2025</u>
Increase in real estate, plant and equipment	\$ 47,501	\$ 164,167
Transfer of prepaid equipment payments	(24,889)	(23,008)
Other payables	<u>13,341</u>	<u>(137,342)</u>
Cash paid for the purchase of real estate, plant and equipment	<u>\$ 35,953</u>	<u>\$ 3,817</u>

b. Changes in liabilities from financing activities

January 1 to March 31, 2026

	<u>January 1, 2026</u>	<u>Cash Flow</u>	<u>Non-cash changes</u>		<u>Others</u>	<u>March 31, 2026</u>
			<u>New lease</u>	<u>financing costs</u>		
Short-term borrowings	\$ 607,758	\$ 15,216	\$ -	\$ -	\$ 98	\$ 623,072
Long-term borrowings	786,316	(9,022)	-	-	-	777,294
Lease liabilities	<u>139,669</u>	<u>(5,408)</u>	<u>967</u>	<u>683</u>	<u>(216)</u>	<u>135,695</u>
	<u>\$ 1,533,743</u>	<u>\$ 786</u>	<u>\$ 967</u>	<u>\$ 683</u>	<u>(\$ 118)</u>	<u>\$ 1,536,061</u>

January 1 to March 31, 2025

	<u>January 1, 2025</u>	<u>Cash Flow</u>	<u>Non-cash changes</u>		<u>Others</u>	<u>March 31, 2025</u>
			<u>financing costs</u>			
Short-term borrowings	\$ 590,000	\$ -	\$ -	\$ -	\$ -	\$ 590,000
Long-term borrowings	672,235	(8,960)	-	-	-	663,275
Lease liabilities	<u>162,242</u>	<u>(6,313)</u>	<u>784</u>	<u>6</u>	<u>6</u>	<u>156,719</u>
	<u>\$ 1,424,477</u>	<u>(\$ 15,273)</u>	<u>\$ 784</u>	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ 1,409,994</u>

24. Capital Risk Management

The Group monitors its funds by regularly reviewing the ratio of assets to liabilities, and based on the characteristics of the current operating industry, future company development and changes in the external environment, it plans the company's needs for working capital, capital expenditures, and dividend payments in the future, to ensure that the company can continue to operate and maintain the best capital structure.

25. Financial Instruments

a. Fair value information - financial instruments at fair value on a recurring basis

1) Fair value hierarchy (December 31, 2025: None)

March 31, 2026

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial liabilities at fair value through profit or loss</u>				
Derivatives	\$ -	\$ 1,049	\$ -	\$ 1,049

March 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at fair value through profit or loss</u>				
Derivatives	\$ -	\$ 3,779	\$ -	\$ 3,779
<u>Financial liabilities at fair value through profit or loss</u>				
Derivatives	\$ -	\$ 1,425	\$ -	\$ 1,425

There were no transfers between Levels 1 and 2 for the three months ended March 31, 2026 and 2025.

2) Valuation techniques and inputs applied for Level 2 fair value measurement

<u>Category of Financial Instruments</u>	<u>Valuation Technique and Inputs</u>
Derivatives - Forward foreign exchange contracts	The fair value of forward foreign exchange contracts is measured by reference to quoted forward exchange rates and the yield curves derived from the quoted interest rates over the contract maturity period.
Derivatives - Cross-currency swap contracts	Discounted cash flow method: Estimate the future cash flow according to the observable forward exchange rate and the exchange rate stipulated in the contract at the end of the period, and discount it at a discount rate that can reflect the credit risk of each counterparty.
Derivatives -Exchange rate option	Option evaluation model: Estimated based on the option evaluation model and the observable exchange rates and contract exchange rates at the end of the period.

b. Categories of financial instruments

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Financial assets</u>			
Financial assets at amortized cost (Note 1)	\$ 1,450,075	\$ 1,401,302	\$ 1,674,550
Measured at fair value through profit or loss			
Held for trading	-	-	3,779
<u>Financial liabilities</u>			
Measured at amortized cost (Note 2)	1,871,320	1,816,663	1,797,337
Measured at fair value through profit or loss			
Held for trading	1,049	-	1,425

Note 1: The balance includes financial assets measured at amortized cost, such as cash and cash equivalents, debt instrument investments, notes receivable, accounts receivable, other receivables, and refundable deposits.

Note 2: The balances include short-term borrowings, notes payables, trade payables, other payables, long-term borrowings and deposit margin and other financial liabilities measured at amortized cost.

c. Financial risk management objectives and policies

The Group's major financial instruments include note receivables, trade receivables, other receivables, trade payables, borrowings, and lease liabilities. The Group's financial risk management objective is to manage market risks, credit risks, and liquidity risks associated with its operating activities. To reduce related risks, the Group is committed to identify, assess and avoid uncertainties of the market in order to reduce potentially unfavorable effects on its financial performance due to changes in the market.

1) Market risk

The Group's operating activities expose the Group primarily to the market risks of changes in foreign currency exchange rates and interest rates.

i. Foreign exchange risk

The Group's sales and purchase transactions are denominated in foreign currency; as a consequence, the Group is exposed to the risk of fluctuation in the exchange rate. In order to avoid the decrease in the value of foreign currency assets and fluctuations in future cash flows due to changes in exchange rates, the Group has taken into account the risk of the net position of foreign currencies by analyzing factors, such as the amount of payments received and paid for foreign currency assets and foreign currency liabilities and the maturity period, and it also avoids the related risk of exchange rates by methods of cross-currency swap contracts, forward foreign exchange contracts, exchange rate option, borrowings in foreign currency, and so on. Internal auditors continuously review the conformity to policies and risk exposure limits. The application of cross-currency swap contracts and forward foreign exchange contracts by the Group is governed by the policies approved by the Board of Directors, and the Group does not enter into transactions of cross-currency swap contracts and forward foreign exchange contracts for speculative purposes.

Please refer to Note 29 for the carrying amount of monetary assets and monetary liabilities of the Group denominated in non-functional currencies at the balance sheet date (including the monetary items denominated in non-functional currencies and already eliminated in the consolidated financial statements).

The sensitivity analysis of foreign exchange rate risks is mainly computed with respect to foreign currency items (mainly in USD) and derivatives on the end date of the financial reporting period. When the functional currency of the consolidated entity appreciates/depreciates by 1% against the U.S. dollar, the consolidated company's pre-tax net income for the periods from January 1 to March 31, 2026, and 2025 would decrease/increase by NT\$3,099 thousand and NT\$3,690 thousand, respectively.

As the above-mentioned sensitivity analysis is based on the amount of foreign currency to be exposed at the balance sheet date, the management considers that the sensitivity is unrepresentative of the interim exposure.

ii. Interest rate risk

Interest rate risk refers to the risk of changes in the fair value of a financial instrument or changes in cash flows caused by fluctuations in market interest rates. The Group is exposed to fair value interest rate risk through holding its fixed-rate financial assets and liabilities; financial assets and liabilities held at floating rates expose the Group to cash flow interest rate risk. The management of the Group regularly monitors the changes in market interest rates and adjusts the portion of financial assets and liabilities at floating rates to make the Group's interest rates approximate the market interest rates in response to the risk of changes in market interest rates.

The carrying amount of the Group's financial assets and financial liabilities with exposure to interest rates at the balance sheet date were as follows:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Fair value interest rate risk			
– Financial assets	\$ 58,968	\$ 98,808	\$ 172,064
– Financial liabilities	628,767	617,427	156,719
Cash flow interest rate risk			
– Financial assets	757,321	687,506	935,156
– Financial liabilities	907,294	916,316	1,253,275

Fixed-rate financial assets/liabilities held by the Group are measured at amortized cost and are therefore excluded from the analysis; the methods for the analysis of floating-rate financial assets/liabilities assume that the amounts of assets/liabilities outstanding at the balance sheet date were outstanding for the whole reporting period. An increase/decrease of 0.25% in market interest rates is used as a reasonable risk assessment for reporting changes in interest rates to the management by the Group. With all other variables remaining unchanged, an increase/decrease of 0.25% in market interest rates will lead to a decrease of \$94 thousand and \$199 thousand on the Group's net profit after tax for the three months ended March 31, 2026 and 2025, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults, and the exposure to credit risk and the credit ratings of its counterparties were continuously monitored. At the balance sheet date, the Group's maximum amount of exposure to credit risk approximated the carrying amount of its financial assets.

The Group's credit risk of trade receivable is concentrated on the Group's top customer, the Diodes Group, which is also the parent company, accounting for 52%, 54%, and 49% of the total trade receivable from the above-mentioned customer as of March 31, 2026, December 31 and March 31, 2025, respectively. However, it belongs to associates transactions which should not result in credit risk.

3) Liquidity risk

The Group's management finances the operations and mitigates the liquidity risk by maintaining sufficient cash and banking facilities.

i. Liquidity and interest risk rate table for non-derivative financial liabilities

The following table details analysis of the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows, including both interest and principal cash flows, of financial liabilities from the earliest date on which the Group can be required to pay.

March 31, 2026

	Weighted Average Effective Rate (%)	Payment on Sight or Less than 3 Month	3 Months to 1 Year	1 to 2 Year(s)	2 to 5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>						
Non-interest bearing liabilities		\$ 552,158	\$ -	\$ -	\$ -	\$ -
Lease liabilities	2.00%	4,936	14,352	17,800	48,684	56,364
Floating-rate instruments	1.94%	242,764	35,422	296,140	343,946	14,987
Fixed interest rate instruments	2.20%	395,449	1,485	100,165	-	-
		<u>\$1,195,307</u>	<u>\$ 51,259</u>	<u>\$ 414,105</u>	<u>\$ 392,630</u>	<u>\$ 71,351</u>

December 31, 2025

	Weighted Average Effective Rate (%)	Payment on Sight or Less than 3 Month	3 Months to 1 Year	1 to 2 Year(s)	2 to 5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>						
Non-interest bearing liabilities		\$ 541,029	\$ -	\$ -	\$ -	\$ -
Lease liabilities	1.99%	5,416	14,073	17,800	48,440	60,815
Floating-rate instruments	1.96%	62,802	215,677	295,585	364,184	16,656
Fixed interest rate instruments	2.14%	380,004	1,473	100,655	-	-
		<u>\$ 989,251</u>	<u>\$ 231,223</u>	<u>\$ 414,040</u>	<u>\$ 412,624</u>	<u>\$ 77,471</u>

March 31, 2025

	Weighted Average Effective Rate (%)	Payment on Sight or Less than 3 Month	3 Months to 1 Year	1 to 2 Year(s)	2 to 5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>						
Non-interest bearing liabilities		\$ 622,863	\$ -	\$ -	\$ -	\$ -
Lease liabilities	1.98%	5,832	16,448	19,622	50,184	74,165
Floating-rate instruments	1.96%	503,091	134,199	244,416	380,733	23,843
		<u>\$1,131,786</u>	<u>\$ 150,647</u>	<u>\$ 264,038</u>	<u>\$ 430,917</u>	<u>\$ 98,008</u>

ii. Financing facilities

Conditions of utilization on the Group's bank financing facilities at the balance sheet date were as follows:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Secured bank financing facilities:			
— Amount used	\$ 1,400,366	\$ 1,394,074	\$ 1,253,275
— Amount unused	736,928	752,242	700,000
	<u>\$ 2,137,294</u>	<u>\$ 2,146,316</u>	<u>\$ 1,953,275</u>

26. Related Party Transactions

Transactions, account balances, income and expenses between the Company and its subsidiaries have been eliminated in full upon consolidation, and they are not disclosed in this note accordingly. In addition to those disclosed in other notes, the significant transactions between the Group and other related parties were as follows:

a. Related party name and category

<u>Related Party</u>	<u>Relationship with the Group</u>
Diodes Holdings UK Limited (Diodes (UK))	Parent company
Diodes Taiwan LLC, Taiwan Branch (U.S.A.) (Diodes Taiwan S.A R.L., Taiwan Branch (Luxembourg)) (Diodes (TW))	Sister company
Diodes Taiwan LLC, Hsinchu Branch (U.S.A.) (Diodes Taiwan S.A R.L., Taiwan Branch (Luxembourg)) (Diodes (Hsinchu))	Sister company
Diodes Taiwan S.A R.L., Keelong Branch (Luxembourg) (Diodes (KL))	Sister company
Diodes Taiwan S.A R.L., Keelong Branch (Luxembourg) (Diodes (Chengdu))	Sister company
Diodes Hong Kong Limited (Diodes (HK))	Sister company
Shanghai KaiHong Electronic Co., Ltd. (Kaihong Electronics)	Sister company
Shanghai KaiHong Technology Electronic Co., Ltd. (Kaihong Tech.)	Sister company
Lite-on Microelectronics Wuxi Co. Ltd. (Lite-on (Wuxi))	Sister company
Shanghai Seefull Electronic Co., Ltd. (Shanghai (SSEC))	Sister company
BCD Shanghai Micro-Electronics Limited (BCD)	Sister company

b. Operating revenue

<u>Line Item</u>	<u>Related Party Category/Name</u>	<u>Three Months Ended March 31, 2026</u>	<u>Three Months Ended March 31, 2025</u>
Sales	Sister company		
	Diodes (HK)	\$ 179,956	\$ 198,495
	Diodes (TW)	121,953	108,683
	Shanghai (SSEC)	80,183	30,733
	Lite-on (Wuxi)	33,921	55,472
	Diodes (Chengdu)	9,848	5,190
	Diodes (Hsinchu)	7,343	3,997
	Kaihong Electronics	4,808	393
	BCD	1,728	-
	Kaihong Tech.	562	-
		<u>\$ 440,302</u>	<u>\$ 402,963</u>

There are no significant differences between the terms and conditions of transactions for related parties and that for general transactions.

c. Purchase

<u>Related Party Category/Name</u>	<u>Three Months Ended March 31, 2026</u>	<u>Three Months Ended March 31, 2025</u>
Parent company		
Diodes (UK)	\$ 456	\$ -
Sister company		
Diodes (Hsinchu)	25,123	11,675
Diodes (TW)	15,784	2,249
Diodes (Chengdu)	113	-
	<u>\$ 41,476</u>	<u>\$ 13,924</u>

There are no significant differences between the terms and conditions of transactions for related parties and that for general transactions.

d. Receivables from related parties

List Item	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Trade receivables from related parties	Sister company			
	Diodes (HK)	\$ 143,885	\$ 96,016	\$ 136,374
	Diodes (TW)	94,754	110,092	73,044
	Shanghai (SSEC)	51,368	54,126	23,486
	Lite-on (Wuxi)	16,270	43,341	33,275
	Diodes (Hsinchu)	6,479	8,119	3,407
	Diodes (Chengdu)	6,405	5,807	4,517
	Others	<u>3,642</u>	<u>8,665</u>	<u>207</u>
		<u>\$ 322,803</u>	<u>\$ 326,166</u>	<u>\$ 274,310</u>
Other Trade receivables	Sister company			
	Diodes (TW)	<u>\$ 103</u>	<u>\$ 131</u>	<u>\$ 141</u>

No secure was received for the outstanding amount of receivables from related parties. No loss allowances were set aside for receivables from related parties as of March 31, 2026, and December 31 and March 31, 2025.

e. Amounts payable to related parties

Line Item	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Payables from related parties	Parent company			
	Diodes (UK)	\$ 461	\$ 22	\$ -
	Sister company			
	Diodes (Hsinchu)	29,897	20,188	12,426
	Diodes (TW)	16,742	3,777	2,389
	Diodes (Chengdu)	114	-	-
	Diodes (KL)	<u>-</u>	<u>-</u>	<u>300</u>
		<u>\$ 47,214</u>	<u>\$ 23,987</u>	<u>\$ 15,115</u>
Other payables	Sister company			
	Diodes (KL)	\$ -	\$ -	\$ 138,524
	Diodes (TW)	<u>-</u>	<u>9,514</u>	<u>-</u>
		<u>\$ -</u>	<u>\$ 9,514</u>	<u>\$ 138,524</u>

f. Property, plant and equipment acquired

Related Party Category / Name	Acquisition Price	
	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Sister company		
Diodes (KL)	<u>\$ -</u>	<u>\$ 130,928</u>

g. Rental agreement

Line Item	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Lease liability	Sister company			
	Diodes (TW)	<u>\$ 149,191</u>	<u>\$ 152,888</u>	<u>\$ -</u>
		Three Months Ended March 31, 2026	Three Months Ended March 31, 2025	
<u>Interest Expense</u>				
Sister company				
Diodes (TW)		<u>\$ 677</u>	<u>\$ 752</u>	

The consolidated company leased a factory from a related company in June 2024 for a lease term of 10 years. The rental was negotiated based on market rates. In accordance with the lease agreement, a refundable deposit of NT\$2,967 thousand was paid, and the monthly rental expense is NT\$1,483 thousand.

h. Remuneration to the major management

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Short-term employee benefits	\$ 7,287	\$ 7,500
Post-employment benefits	<u>47</u>	<u>27</u>
	<u>\$ 7,334</u>	<u>\$ 7,527</u>

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

27. Pledged Assets

The following assets of the Group were provided as collateral for borrowings and endorsements/guarantees through pledges:

	March 31, 2026	December 31, 2025	March 31, 2025	Nature
Bank time deposits (classified as financial assets at amortized cost)	\$ 3,400	\$ 3,400	\$ 32,064	endorsements/guarantees and short-term borrowings
Bank demand deposits (classified as financial assets at amortized cost)	65,454	63,454	39,342	Short-term and long-term borrowings
Property and plant	869,873	871,707	877,208	Short-term and long-term borrowings
	<u>\$ 938,727</u>	<u>\$ 938,561</u>	<u>\$ 948,614</u>	

28. Significant Contingent Liabilities and Unrecognized Contract Commitments

As a result of the replacement of production line equipment and business expansion, the Group has undertaken to order machinery equipment and system software, etc. The amounts paid were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Amount of Contract Commitments	<u>\$ 103,796</u>	<u>\$ 131,049</u>	<u>\$ 212,619</u>
Amount Paid (classified as prepayments for equipment, Construction in progress and equipment pending inspection)	<u>\$ 78,301</u>	<u>\$ 91,505</u>	<u>\$ 99,436</u>

29. Information on Assets And Liabilities Denominated in Foreign Currencies With Significant Effects

The following information is presented in foreign currencies other than the functional currency of the Group's each entity, and the exchange rate disclosed refers to the exchange rate for such foreign currency translated to the functional currency. Financial assets and liabilities denominated in foreign currencies with significant effects were as follows:

Unit: Foreign currency/NT\$ thousands, Except for Exchange Rate

	March 31, 2026			
	Foreign Currency	Exchange rate (\$)	Functional Currency	NTD
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 20,488	31.9950 (USD:NTD)	\$ 655,514	\$ 655,514
USD	455	6.9119 (USD:RMB)	3,145	14,558
RMB	1,425	4.6290 (RMB:NTD)	6,596	6,596
EUR	280	36.7100 (EUR:NTD)	10,279	10,279

March 31, 2026				
	Foreign Currency	Exchange rate (\$)	Functional Currency	NTD
<u>Investments accounted for using the equity method</u>				
USD	2,436	31.9950 (USD:NTD)	77,936	77,936
RMB	16,873	0.1447(RMB:USD)	2,441	78,105
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	8,959	31.9950 (USD:NTD)	286,643	286,643
USD	298	6.9119 (USD:RMB)	2,060	9,536
<u>Non-monetary items</u>				
<u>Derivatives</u>				
USD	2,000	31.9950 (USD:NTD)	63,990	63,990
December 31, 2025				
	Foreign Currency	Exchange rate (\$)	Functional Currency	NTD
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 16,342	31.4300 (USD:NTD)	\$ 513,629	\$ 513,629
USD	361	6.9907(USD:RMB)	2,524	11,346
RMB	1,471	4.4960 (RMB:NTD)	6,614	6,614
EUR	235	36.9000 (EUR:NTD)	8,672	8,672
<u>Non-monetary items</u>				
<u>Investments accounted for using the equity method</u>				
USD	2,371	31.4300 (USD:NTD)	74,522	74,522
RMB	16,606	0.1430 (RMB:USD)	2,375	74,661
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	6,097	31.4300 (USD:NTD)	191,629	191,629
USD	273	6.9907(USD:RMB)	1,908	8,580
March 31, 2025				
	Foreign Currency	Exchange rate (\$)	Functional Currency	NTD
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 21,291	33.2050 (USD:NTD)	\$ 706,968	\$ 706,968
USD	521	7.2611 (USD:RMB)	3,783	17,300
RMB	1,421	4.5730 (RMB:NTD)	6,498	6,498
EUR	191	35.9700 (EUR:NTD)	6,870	6,870
<u>Non-monetary items</u>				
<u>Derivatives</u>				
USD	2,000	33.2050 (USD:NTD)	66,410	66,410
<u>Investments accounted for using the equity method</u>				
USD	2,202	33.2050 (USD:NTD)	73,122	73,122
RMB	16,061	0.1375(RMB:USD)	2,212	73,447
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	5,200	33.2050 (USD:NTD)	\$ 172,666	\$ 172,666
<u>Non-monetary items</u>				
<u>Derivatives</u>				
USD	7,500	33.2050 (USD:NTD)	249,038	249,038

The consolidated company recognized net foreign exchange gains of NT\$7,965 thousand and NT\$9,299 thousand for the periods from January 1 to March 31, 2026 and 2025, respectively. As the Group engages in transactions denominated in various foreign currencies and the functional currencies of the Group entities are diverse, it is impracticable to disclose exchange gains or losses by each foreign currency that has a significant impact.

30. Supplementary Disclosures

- a. Information on significant transactions:
 - 1) Financing provided to others: None.
 - 2) Endorsements/guarantees provided to others: None.
 - 3) Marketable securities held at end of period (excluding investments in subsidiaries): None.
 - 4) Purchases or sales with related parties amounting to NT\$100 million or 20% of paid-in capital or more: Please refer to Attached Table 1.
 - 5) Receivables from related parties amounting to NT\$100 million or 20% of paid-in capital or more: Please refer to Attached Table 2.
 - 6) Other: Business relations and important transactions and amounts between parent and subsidiary companies and between subsidiaries: Please refer to Attached Table 3.
- b. Intercompany relationships and significant intercompany transactions: Please refer to Attached Table 4.
- c. Information on investments in mainland China:
 - 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area.: Please refer to Attached Table 5.
 - 2) Any of the following 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: Please refer to Attached Table 6.
 - i. Purchase amount and percentage and closing balance and percentage of related payables.
 - ii. Sales amount and percentage and closing balance and percentage of related receivables.
 - iii. The amount of property transactions and the amount of profits and losses generated therefrom.
 - iv. Ending balance of bill endorsement or collateral provided and its purpose.
 - v. The maximum balance of financial financing, the ending balance, the interest rate range and the total interest for the current period.
 - vi. Other transactions that have a significant impact on current profits and losses or financial status, such as the provision or receipt of labor services, etc.

31. Segment Information

The information provided to major operating decision makers for allocating resources and evaluating department performance, in addition to considering department managers, focuses on each operating entity and the types of products or services provided. The departments that the consolidate company should report are as follows

- Eris Technology and Jie Cheng - mainly manufacturing and selling in diodes.
- Yea Shin - mainly manufacturing and selling in wafers.
- SeCos - mainly R&D, design and sales of diodes, ICs, heat sinks and chips.

Department revenues and operating results

The following was an analysis of the Group's revenues and operating results from continuing operation units by reportable segments.

Three Months Ended March 31, 2026

	<u>Eris Technology and Jie Cheng</u>	<u>Yea Shin</u>	<u>SeCos</u>	<u>Adjustments and write-offs</u>	<u>Total</u>
Revenue from external customers	\$ 358,452	\$ 205,532	\$ 120,614	\$ -	\$ 684,598
Inter- departmental revenue	<u>22,591</u>	<u>64,574</u>	<u>2,088</u>	(<u>89,253</u>)	<u>-</u>
Departmental revenue	<u>\$ 381,043</u>	<u>\$ 270,106</u>	<u>\$ 122,702</u>	(<u>\$ 89,253</u>)	<u>\$ 684,598</u>
Departmental results	<u>\$ 81,314</u>	<u>\$ 50,383</u>	<u>\$ 19,396</u>	(<u>\$ 68,595</u>)	<u>\$ 82,498</u>
Departmental assets	<u>\$ 4,430,372</u>	<u>\$2,220,580</u>	<u>\$ 460,787</u>	(<u>\$ 2,316,521</u>)	<u>\$4,795,218</u>
Departmental liabilities	<u>\$ 1,793,864</u>	<u>\$ 393,612</u>	<u>\$ 121,185</u>	(<u>\$ 144,337</u>)	<u>\$2,164,324</u>

Three Months Ended March 31, 2025

	<u>Eris Technology and Jie Cheng</u>	<u>Yea Shin</u>	<u>SeCos</u>	<u>Adjustments and write-offs</u>	<u>Total</u>
Revenue from external customers	\$ 349,578	\$ 158,697	\$ 116,985	\$ -	\$ 625,260
Inter- departmental revenue	<u>11,135</u>	<u>162,829</u>	<u>392</u>	(<u>174,356</u>)	<u>-</u>
Departmental revenue	<u>\$ 360,713</u>	<u>\$ 321,526</u>	<u>\$ 117,377</u>	(<u>\$ 174,356</u>)	<u>\$ 625,260</u>
Departmental results	<u>\$ 74,476</u>	<u>\$ 72,674</u>	<u>\$ 15,251</u>	(<u>\$ 85,162</u>)	<u>\$ 77,239</u>
Departmental assets	<u>\$ 4,647,442</u>	<u>\$2,566,949</u>	<u>\$ 467,408</u>	(<u>\$ 2,548,093</u>)	<u>\$5,133,706</u>
Departmental liabilities	<u>\$ 1,637,333</u>	<u>\$ 556,910</u>	<u>\$ 114,135</u>	(<u>\$ 189,789</u>)	<u>\$2,118,589</u>

Eris Technology Corp. and Subsidiaries

Purchases or Sales with Related Parties Amounting to NT\$100 Million or 20% of Paid-in Capital or More
For the three months ended March 31, 2026

Unit: NT\$ Thousands

Buyer (Seller)	Counterparty	Relationship	Transaction Details				Details and Reasons for Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchases (Sales)	Amount	Ratio of Total Purchases (Sales) (%)	Credit Period	Unit price	Credit Period	Balance	Ratio of Notes/Accounts Receivable (Payable) (%)	
Eris Technology Corp.	Diodes Hong Kong Limited	Same as the Company's ultimate parent company	Sales	(\$ 179,956)	51.16%	Net 60 payment term	None	None	\$ 143,885	54.40%	-
Eris Technology Corp.	Diodes Taiwan LLC, Taiwan Branch (U.S.A.) (Diodes Taiwan S.A R.L., Taiwan Branch (Luxembourg)) (Diodes (TW))	Same as the Company's ultimate parent company	Sales	(119,581)	34.00%	Net 60 payment term	None	None	92,774	35.08%	-

Eris Technology Corp. and Subsidiaries
Receivables from Related Parties Amounting to NT\$100 Million or 20% of the Paid-in Capital or More
March 31, 2026

Unit: NT\$ Thousands

Company recording the receivables	Counterparty	Relationship	Balance Receivables from Related Parties	Turnover rate	Overdue Receivables from Related Parties		Amounts of Receivables from Related Parties Received in Subsequent Period (Note 1)	Amount of Loss Allowance
					Amount	Actions Taken		
Eris Technology Corp.	Diodes Hong Kong Limited	Same as the Company's ultimate parent company	\$ 143,885	6.00	\$ -	—	\$ 75,591	\$ -

Note : Refers to the amount recovered as of the reporting date of the separate financial statements.

Eris Technology Corp. and Subsidiaries
Intercompany Relationships and Significant Intercompany Transactions
For the three months ended March 31, 2026

Unit: NT\$ Thousands

No.	Company	Counterparty	Relationship with Investor (Note 1)	Transactions Details			Ratio of Consolidated Total Revenue or Total Assets (Note 2)
				Ledger Account	Amount (Note 3)	Transaction Term	
0	Eris Technology Corp.	Yea Shin Technology Co., Ltd.	1	Accounts Payable	\$ 87,786	-	1.83%
0	Eris Technology Corp.	Yea Shin Technology Co., Ltd.	1	Purchases	63,208	No significant differences compared to general customers	9.13%

Note 1: Relationships with the investor are classified into the following three categories to remark the category only:

1. Parent company to subsidiaries.
2. Subsidiaries to the parent company.
3. Subsidiaries to subsidiaries.

Note 2: Regarding the ratio of the transaction amount to consolidated total operating revenues or total assets, it is computed based on the ending balance to consolidated total assets for balance sheet accounts, and based on the accumulated amount for the interim to consolidated total operating revenues for income statement accounts.

Note 3: Related transactions were eliminated in the consolidated financial statements.

Eris Technology Corp. and Subsidiaries
Related Information on Name of Investee, Location, and So On
For the three months ended March 31, 2026

Unit: NT\$ Thousands, Unless Specified Otherwise

Name of Investor	Name of Investee	Location	Principal Business Activities	Original Investment Amount (Note 1)		Ending Balance			Net Income (Loss) of the Investee for the Period (Note 2, 5 and 7)	Investment Profit (Loss) Recognized for the Period (Note 2, 5 and 7)	Note
				End of the Period	Year-end of the last year	Number of shares (in thousands)	Ratio (%)	Carrying Amount (Note 3)			
Eris Technology Corp.	Keep High Limited	Seychelles	Holding of investments	\$ 20,776 (USD670 thousand)	\$ 20,776 (USD 670 thousand)	N/A	100	\$ 77,936	\$ 1,218 (USD 38 thousand)	\$ 1,187 (Note 4)	Subsidiary
	Yea Shin Technology Co., Ltd.	Taiwan	Engaged in manufacturing of electronic components and wholesaling of electronic materials	1,181,078	1,181,078	49,342	96.1	1,763,213	50,383	46,902 (Note 4)	Subsidiary
	Erishin Semiconductor Corporation	Taiwan	Engaged in manufacturing of electronic components and wholesaling of electronic materials	1,000	1,000	100	100	1,013	-	-	Subsidiary
	Secos Corporation	Taiwan	Engaged in manufacturing of electronic parts and components R&D, design and sales	180,000	180,000	7,200	40	183,212	19,396	7,509	Subsidiary
Yea Shin Technology Co., Ltd.	Secos Corporation	Taiwan	Engaged in manufacturing of electronic parts and components R&D, design and sales	194,400	194,400	10,800	60	219,800	19,396	11,300	Subsidiary
Keep High Limited	Forever Eagle Incorporation	Mauritius	Holding of investments	20,473 (USD 660 thousand)	20,473 (USD 660thousand)	N/A	100	78,105 (USD 2,441 thousand)	1,218 (USD 38 thousand)	1,218 (USD 38 thousand)	Sub-subsidiary

Note 1: The conversion is based on the US dollar buying exchange rate when the original investment funds are remitted out.

Note 2: The conversion is based on the average exchange rate of USD during the investment period.

Note 3: Related transactions were eliminated in the consolidated financial statements.

Note 4: It includes the adjustment of unrealized sales gross profit.

Note 5: Please refer to Table 5 for related information on investee in Mainland China.

Note 6: The calculation is based on the financial statements reviewed by the certified accountants of the parent company in Taiwan during the same period.

Eris Technology Corp. and Subsidiaries
Information on Investments in Mainland China
For the three months ended March 31, 2026

Unit: NT\$ Thousands, Unless Specified Otherwise

Investee in mainland China	Principal Business Activities	Paid-in Capital (Note 1)	Method of Investments	Accumulated Amount of Investments Remitted Outward from Taiwan at Beginning of Period (Note 1)	Amount of Investments Remitted or Repatriated for the Period		Accumulated Amount of Investments Remitted Outward from Taiwan at End of Period (Note 1)	Income (Loss) of the Investee for the Period	Shareholding Ratio of The Company's Direct or Indirect Investment	Investment Gain (Loss) Recognized for the Period (Note 2, 5 and 6)	Carrying Amount of Investments at End of Period(Note 6)	Accumulated Repatriation of Investment Income at End of Period
					Remitted	Repatriated						
Jie Cheng Electronic (Shanghai) Co., Ltd.	Wholesaling of electronic materials and international trading business	\$ 20,170 (USD 650 thousand)	Indirectly investment in Mainland China through companies registered in a third region	\$ 20,170 (USD 650 thousand)	\$ -	\$ -	\$ 20,170 (USD 650 thousand)	\$ 1,218 (RMB 267 thousand)	100%	\$ 1,218 (RMB 267 thousand)	\$ 78,105	\$ -

Accumulated Amount of Investments in Mainland China Remitted Outward from Taiwan at End of Period (Note 1)	Investment Amounts Authorized by Investment Commission, MOEA (Note 3)	Upper Limit on the Amount of Investment in Mainland China Stipulated by Investment Commission, MOEA (Note 4)
\$20,170 (USD 650 thousand)	\$20,797 (USD 650 thousand)	\$ 1,535,042

Note 1: Translation was based on the buying exchange rate of USD at the time of remittance.

Note 2: Translation was based on the average exchange rate during the investment period.

Note 3: Translation was based on the period-end exchange rate of USD on March 31, 2026.

Note 4: The information was calculated as 60% of the Company's net worth on March 31, 2026.

Note 5: Computation was based on the financial statements for the same periods reviewed by the certified public accountants of the Taiwan parent company.

Note 6: Related transactions were eliminated in the consolidated financial statements.

Eris Technology Corp. and Subsidiaries

**Any of the Following 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, and Other Related Information
For the three months ended March 31, 2026**

Unit: NT\$ Thousands, Unless Specified Otherwise

Counterparty	Transaction Details			Details and Reasons for Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
	Purchases (Sales)	Amount	Ratio of Total Purchases (Sales) (%)	Unit price	Credit Period	Balance	Ratio of Notes/Accounts Receivable (Payable) (%)	
Jie Cheng Electronic (Shanghai) Co., Ltd.	Sales	(\$ 9,406)	1.25%	None	None	\$ 9,490	1.36%	Note
Jie Cheng Electronic (Shanghai) Co., Ltd.	Purchases	12,522	2.69%	None	None	(7,337)	1.58%	Note
Jie Cheng Electronic (Shanghai) Co., Ltd.	Others income	(899)	-	None	None	885	2.15%	Note

Note 1: The relevant transactions include both the parent company and its subsidiaries.

Note 2: The relevant transactions have been reversed in the consolidated financial statements.