This English version is a translation of the original Chinese version and has not been audited or reviewed by the independent auditors.

Advanced International Multitech Co., Ltd. and Subsidiaries Consolidated Financial Statements and Independent Auditors' Review Report

For the Years Ended December 31, 2025 and 2024
(Stock Code: 8938)

Company Address: No.26, Zhonglin Rd., Xiaogang Dist., Kaohsiung City

Tel: (07) 872-1410

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

Advanced International Multitech Co., Ltd. and Subsidiaries Consolidated
Financial Statements and Independent Auditors' Review Report
For the Years Ended December 31, 2025 and 2024
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Advanced International Multitech Co., Ltd.

Letter of Representation for Consolidated Financial Statements

For the year 2025 (from January 1 to December 31, 2025), the Company's entities that are required to be included in the consolidated financial statements of affiliated enterprises under the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are the same as those required to be included in the parent-subsidiary consolidated financial statements under the International Financial Reporting Standards 10. Moreover, the related information required to be disclosed for the consolidated financial statements of affiliated enterprises has been fully disclosed in the aforementioned parent-subsidiary consolidated financial statements. Therefore, consolidated financial statements of affiliated enterprises will not be prepared.

Represented by

Company Name: Advanced International Multitech Co., Ltd.

Responsible Person: Hsi-Chien Cheng

March 3, 2026

Independent Auditor's Report

To Advanced International Multitech Co., Ltd.

Auditor's Opinions

Advanced International Multitech Co., Ltd. and Subsidiaries' ("the Group" hereinafter) consolidated balance sheets ended December 31, 2025 and 2024, consolidated statements of comprehensive income, the consolidated statements of changes in equity, consolidated statements of cash flows from January 1 to December 31, 2025 and 2024, and the notes to the consolidated financial statements (including the summary of significant accounting policies) have been reviewed by the auditor.

In our opinion, the aforementioned consolidated financial statements present fairly, in all material respects, the consolidated financial position of Advanced International Multitech Co., Ltd. as of December 31, 2025 and 2024, and its consolidated financial performance and consolidated cash flows from January 1 to December 31, 2025 and 2024 are presented in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," as well as International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRICs Interpretations, and SIC Interpretations endorsed and effected by the Financial Supervisory Commission.

Basis for Audit Opinion

We are entrusted to execute the audit works in accordance with the "Rules Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants" and Generally Accepted Auditing Standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We have stayed independent from Advanced Group as required by the Code of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled other responsibilities as stipulated by the Code. We believe that we have obtained sufficient and appropriate audit evidence to serve as a basis for our opinion.

Emphasis of a Matter – Major Disaster

As stated in Note X to the consolidated financial statements, subsidiary, Launch Technologies Co., Ltd. (hereinafter referred to as "Launch Technologies"), incurred a major fire incident on Sept. 22, 2023. Currently its operation in Plant I is still suspended for improvements by order of the Ministry of Economic Affairs, and its Plant II has resumed operation and production in May 2024. Up until December 31, 2025, Launch Technologies has already recognized a disaster loss accumulating NT$1,321,670 thousand dollars, and the liability and property insurance claim income received and recognized totaled NT$328,575 thousand in 2024, and the remaining property insurance claim amount, NT$372,481 thousand, had been received and recognized in March 2025; the insurance company has already settled this claim. The accountants have not revised the audit conclusion accordingly.

Emphasis of Matter Paragraph – Share swap

As stated in Note XI(XIX) and (XXXII) to the consolidated financial statements, the share swap proposal Launch Technologies and Advanced International Multitech Co., Ltd. had been approved by competent authorities. The record date for the share swap was set on November 29th, 2024. In addition, securities of Launch Technologies that were traded in the TPEx market and its 1st domestic unsecure convertible bond were also approved by competent authorities to discontinue the trading in the TPEx market; termination date of TPEx trading was set on November 29th, 2024. The accountants have not revised the audit conclusion accordingly.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2025 consolidated financial statements of Advanced Group. Such matters have been dealt with in the course of auditing and compiling the consolidated financial statements and in the preparation of our audit opinion. As such, we do not respond to each key matter individually.

Audit Matters for the consolidated financial statements of Advanced Group for 2025 are stated as follows:

Assessment of Impairment of Accounts Receivable

<u>Descriptions</u>

Please refer to Note IV(X) and (XI) to the consolidated financial statements for accounting policies regarding accounts receivables and impairment assessment; please refer to Note V(II) to the consolidated financial statements for uncertainties of accounting estimates and assumptions regarding accounts receivables; and please refer to Note VI(IV) to the consolidated financial statements for net accounts receivables.

In measuring the expected credit losses, Advanced Group must use its judgment to identify the factors that affect the future recoverability of the accounts receivable, and consider the time value of money, the information that is reasonable and available to prove the forecast of future economic conditions, and the supporting documents obtained by the management. Therefore, we identified the evaluation of impairment for accounts receivables as a key audit matter for Advanced Group.

Audit Procedures

The procedures we have performed on the afore-mentioned key audit matter are summarized as follows:

1. Based on our understanding of Advanced Group's operation and its sales counterparty, we have determined the reasonableness of the policy and procedures regarding provision of loss allowance for accounts receivables, including the objective evidence that determine the loss rate, e.g. characters of customers, assessment of past payment collection experience, and future economic conditions. We have also compared whether the policy for provision of loss allowance for accounts receivables is consistent throughout the reporting period.
2. We have assessed the reasonableness of the supporting documents based on the expected loss rates for different days past due as provided by the management.
3. We have also verified the correctness of the aging of accounts receivables in order to ensure the agreement of the financial information with its policy.
4. We have also tested the recovery of accounts receivables after the audit period so as to evaluate the possibility of recovery.

Inventory Valuation

Descriptions

Refer to Note IV(XIII) to the consolidated financial statements for accounting policies regarding inventory valuation; Note V(II) for uncertainty of accounting estimates and assumptions regarding inventory valuation; and Note VI(V) for details of inventory accounting subjects.

The main business of Advanced Group is to undertake the production of consumer products for the world's major brands. The inventory of such products, owing to rapid changes in technology and a high degree of customization, possesses higher risk of Inventory valuation loss or obsolescence. Advanced Group measures the value of inventory through the employment of an item-by-item approach which recognizes the value at the lower of cost and net realizable value. Advance Group also evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date and writes down the cost of inventories to the net realizable value. Since the assessment process may involve the management's judgment based on the relevant supporting documents obtained, which is an area to be determined in an audit, we have identified the inventory valuation as the key audit matter for Advanced Group.

Audit Procedures

The procedures we have performed on the afore-mentioned key audit matter are summarized as follows:

1. We have compared whether the policy for provision of allowance of inventory valuation loss is consistent throughout the reporting period and assessed the reasonableness of its provision policy.

2. We have examined the inventory management process, reviewed the annual inventory plan and participated in annual inventory counts in order to assess the effectiveness of management's judgment and control of obsolete inventory.
3. We have sampled and tested the net realizable value of individual inventory item to assess the reasonableness of the allowance to reduce inventory to market.

Other Matters – reference to other accountants' audits

We did not audit the financial statements of certain associates and joint ventures accounted for under the equity method. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors. The total investment amount of those afore-mentioned companies accounted for under equity method amounted to NT$18,321 thousand and $19,466 thousand, representing 0.12% and 0.13% of total consolidated assets as of 31 December 2025 and 2024 respectively. The comprehensive income (loss) recognized for the aforementioned companies for the periods from January 1 to December 31, 2025 and 2024 was NT$55 thousand and NT$118 thousand, respectively, each accounting for 0.01% of consolidated comprehensive income.

Other Matters - parent company only financial statements

Advanced International Multitech Co., Ltd. has also prepared the parent company only financial statements for the years 2025 and 2024, which have been audited by our certified public accountants and are on file with an unqualified audit opinion with emphasis of a matter and other matters, for reference.

Responsibility of the management and the governing body for the consolidated financial statements

It is the management's responsibility to fairly present the Consolidated Financial Statements in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," as well as International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations, and SIC Interpretations endorsed by the Financial Supervisory Commission, and to maintain internal controls which are necessary for the preparation of the Consolidated Financial Statements so as to avoid material misstatements due to fraud or errors therein.

In preparing the consolidated financial statements, the responsibility of management includes assessing Advanced Group's ability to continue as a going concern, disclosing going concern matters, as well as adopting going concern accounting, unless the management intends to liquidate Advanced Group or terminate the business, or no practicable measure other than liquidation or termination of the business can be taken.

The governing bodies of Advanced Group (including Audit Committee) have the responsibility to oversee the financial reporting process.

The Accountants' Responsibility in Auditing the Consolidated Financial Statements

The purpose of our audit is to provide reasonable assurance that the consolidated financial statements as a whole contain no material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. "Reasonable assurance" refers to a high level of assurance. Nevertheless, our audit, which was carried out in accordance with the Generally Accepted Auditing Standards in the Republic of China does not guarantee that a material misstatement(s) in the consolidated financial statements will be detected. There may still be material misstatements due to fraud or errors, which are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users of the consolidated financial statements.

We have exercised professional judgment and maintained professional skepticism while abiding by the Generally Accepted Auditing Standards in the Republic of China in our audit. The following tasks have also been performed:

1. Identify and evaluate the risk of material misstatements due to fraud or error in the consolidated financial statements; design and carry out appropriate countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for the audit opinion. As fraud may involve collusion, forgery, deliberate omissions, false statements, or violations of internal controls, the risk of an undetected material misstatement due to fraud is greater than that due to errors.

2. Acquired necessary understanding of internal controls pertaining to the audit in order to develop audit procedures appropriate under the circumstances. Nevertheless, the purpose of such understanding is not to provide any opinion on the effectiveness of the internal controls of Advanced Group.

3. Assess the appropriateness of the accounting policies adopted by the management level, as well as the reasonableness of their accounting estimates and relevant disclosures.

4. Concluded, based on the audit evidence acquired, on the appropriateness of the management's use of the going-concern basis of accounting, and determined whether a material uncertainty exists where events or conditions that might cast significant doubt on the ability of Advanced Group to continue as going concerns. If we believe there are events or conditions indicating the existence of a material uncertainty, we are required to remind the users of the consolidated financial statements in our audit report of the relevant disclosures therein, or to amend our audit opinion in the event that any inappropriate disclosure was found. Our conclusion is based on the audit evidence obtained as of the date

of the audit report. However, future events or circumstances may cause Advanced Group to cease to continue as a going concern.

5. Evaluate the overall expression, structure and contents of the consolidated financial statements (including relevant Notes), and whether the consolidated financial statements fairly present relevant transactions and items.
6. Acquired sufficient and appropriate audit evidence regarding the financial information of entities within Advanced Group in order to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and execution of auditing the Group, and for formation of an audit opinion.

Communications between us and the company's governing body take account of the scope and timing of the planned audit and significant audit findings, including any significant deficiencies in the internal controls during the audit process.

We have also provided the governing body with our statement of independence in accordance with the Code of Professional Ethics for Certified Public Accountant of the Republic of China, and communicated with the governing body all relationships and other matters that may be deemed to have an influence on our independence (including safeguard measures).

From the matters communicated with those charged with governance, we determined the key audit matters of the 2025 consolidated financial statements of Advanced Group. Such matters have been explicitly stated in our audit report, unless laws or regulations prevent their disclosures, or, in extremely rare cases, we decide not to communicate such matters in our audit report in consideration that the reasonably anticipated adverse impacts of such communication would be greater than the public interest it would promote.

PwC Taiwan

CPA: Chun-Kai Wang
Chien-Chih Wu

Financial Supervisory Commission, R.O.C. (Taiwan)
Approval No.: Jin Guan Zheng Shen Zi No. 1110349013
Jin Guan Zheng Shen Zi No. 1030027246

March 3, 2026

Advanced International Multitech Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

December 31, 2025 and 2024

Unit: NT$1,000

	Assets	Notes	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current assets					
1100	Cash and cash equivalents	VI (I)	$ 1,377,288	10	$ 1,991,909	13
1110	Financial assets at fair value through profit or loss – current	VI(II)	264,612	2	264,900	2
1136	Financial assets at amortized cost – current	VI (III)	264,823	2	264,571	2
1150	Notes receivable – net	VI(IV)	4,121	-	1,846	-
1170	Account receivable – net	V and VI(IV)	4,006,241	27	3,487,095	23
1200	Other receivables		23,398	-	23,838	-
1220	Income tax assets – current period		8,380	-	1,230	-
130X	Inventories	V and VI(V)	2,548,288	17	2,671,359	18
1410	Prepayments	VI(VII)	164,654	1	205,117	2
1470	Other current assets		20,992	-	25,165	-
11XX	**Total current assets**		8,682,797	59	8,937,030	60
	Non-current assets					
1510	Financial assets at fair value through profit or loss – non-current	VI(II)	46,624	-	39,891	-
1517	Financial assets at fair value through other comprehensive income – non-current	VI(VI)	55	-	2,669	-
1535	Financial assets at amortized cost – non-current	VI(III)	64,558	1	67,837	-
1550	Investment accounted for using the equity method	VI(VIII)	21,735	-	22,361	-
1600	Property, plant, and equipment	VI(IX) and VIII	4,974,952	34	4,923,461	33
1755	Right-of-use assets	VI(X)	763,752	5	772,81	5
1780	Intangible assets	VI(XI) and VII	38,525	-	21,091	-
1840	Deferred income tax assets	VI(XXXI)	83,197	1	78,852	1
1915	Prepayments for business facilities		65,857	-	66,320	-
1990	Other non-current assets – others	VIII	57,493	-	80,768	1
15XX	**Total non-current assets**		6,116,748	41	6,076,062	40
1XXX	**Total assets**		$ 14,799,545	100	$15,013,092	100

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Advanced International Multitech Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

December 31, 2025 and 2024

Unit: NT$1,000

	Liabilities and equities	Note	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current liabilities					
2100	Short-term loans	VI(XII) and VIII	$ 1,329,525	9	$ 1,681,913	11
2120	Financial liabilities at fair value through profit/loss-current	VI(II)	92	-	-	-
2150	Notes payable		1,116	-	405	-
2170	Accounts payable		1,618,162	11	1,756,612	12
2180	Accounts payable-related parties	VII	40,640	-	46,052	-
2200	Other payable	VI(XIII) and VII	1,344,872	9	1,678,004	11
2230	Income tax liabilities		205,581	1	183,544	1
2250	Provision for liabilities – current	VI (XVIII)	40,877	-	40,911-	-
2280	Lease liabilities -current		53,528	-	60,209	1
2320	Long term liabilities due in 1 year or 1 business cycle	VI (XV)(XVI) and VIII	104,348	1	754,027	5
2399	Other current liabilities-others	VI(XIV)(XXII)	63,693	1	68,417	1
21XX	**Total current liabilities**		4,802,434	32	6,270,094	42
	Non-current liabilities					
2540	Long-term loans	VI(XVI) and VIII	956,190	7	259,134	2
2560	Income tax liabilities – non-current		64,313	-	-	-
2570	Deferred income tax liabilities	VI(XXX)	400,045	3	342,743	2
2580	Lease liabilities – non-current		547,905	4	525,552	4
2640	Net defined benefit liabilities – non-current	VI(XVII)	27,095	-	31,907	-
2670	Other non-current liabilities - other		629	-	15,673	-
25XX	**Total non-current liabilities**		1,996,177	14	1,175,009	8
2XXX	**Total liabilities**		6,798,611	46	7,445,103	50
	Equities					
	Equity attributable to shareholders of the parent company					
	Share capital	VI(XIX)				
3110	Capital of common shares		1,569,865	11	1,546,336	10
	Capital surplus	VI(XX)				
3200	Capital surplus		2,201,860	14	2,069,885	13
	Retained earnings	VI(XXI)				
3310	Legal reserve		1,337,928	9	1,295,540	9
3320	Special reserve		5,346	-	123,195	1
3350	Undistributed earnings		3,139,468	21	2,739,298	18
	Other equities					
3400	Other equities		(52,613)	-	(5,345)	-
3500	Treasury stock		(200,920)	(1)	(200,920)	(1)
31XX	**Total equity attributable to shareholders of the parent company**		8,000,934	54	7,567,989	50
3XXX	**Total equities**		8,000,934	54	7,567,989	50
	Significant contingent liabilities and unrecognized contractual commitments	IX				-
	Significant disaster loss	X				-
	Significant subsequent event	XI				-
3X2X	**Total liabilities and equities**		$ 14,799,545	100	$15,013,092	100

The accompanying notes to the Consolidated financial statements are an integral part of the consolidated financial. Please refer to them as well.

Chairman：Hsi-Chien Cheng　　Manager：I-Nan Chou　　Accounting Manager：Yi-Miao Kuo

Advanced International Multitech Co., Ltd. And Subsidiaries

Consolidated Statement of Comprehensive Income

January 1 to December 31, 2025 and 2024

Unit: NT$1,000

(Except for Earnings Per Share Presented in NT$1)

	Item	Notes	2025 Amount	2025 %	2024 Amount	2024 %
4000	Sales revenue	VI(XXII)&VII	$ 15,406,654	100	$ 14,192,780	100
5000	Cost of goods sold	VI(V)(XI)(XXVIII)(XXIX) &VII	(13,010,007)	(84)	(11,966,699)	(84)
5900	Gross Profits		2,396,647	16	2,226,081	16
	Operating expenses	VI(XI), (XXVIII) (XXIX) and VII				
6100	Sales and marketing expenses		(221,835)	(1)	(204,262)	(1)
6200	Administrative expenses		(617,913)	(4)	(634,882)	(5)
6300	Research and development expenses		(712,971)	(5)	(789,020)	(6)
6450	Expected credit impairment gain (loss)	XII(II)	(6,468)	-	3	-
6000	Total operating expenses		(1,559,187)	(10)	(1,628,161)	(12)
6500	Other income and expenses – net	VI(XXIII)	149,438	1	160,232	1
6900	Operating income		986,898	7	758,152	5
	Non-operating income and expenses					
7100	Interest income	VI(XXIV)	65,924	1	106,537	1
7010	Other income	VI(XXV)	36,010	-	35,376	-
7020	Other gain and losses	VI(II)(XXVI)&X	198,990	1	698,785	5
7050	Finance costs	VI(X)(XXVII)	(102,140)	(1)	(99,839)	(1)
7060	Share of the profit (loss) of associates and joint ventures accounted for using the equity method	VI(VIII)	550	-	(6,277)	-
7000	Total non-operating income and expenses		199,334`	1	734,582	5
7900	**Net income (loss) before tax**		1,186,232	8	1,492,734	10
7950	Income tax expenses	VI(XXX)	(236,779)	(2)	(343,448)	(2)
8200	**Net income (loss)**		$ 949,453	6	$ 1,149,286	8

(Continue to next page)

Advanced International Multitech Co., Ltd. And Subsidiaries

Consolidated Statement of Comprehensive Income

January 1 to December 31, 2025 and 2024

Unit: NT$1,000

(Except for Earnings Per Share Presented in NT$1)

			2025		2024	
	Item	Note	Amount	%	Amount	%
	Other comprehensive income					
	Items that will not be re-classified to profit or loss					
8311	Defined benefit plan remeasurements	VI(XVII)	$ 3,315	-	$ 5,866	-
8316	Unrealized valuation gain/loss of equity investments measure at fair value through other comprehensive income	VI(VI)	8	-	(997)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	VI(XXX)	(663)	-	(1,173)	-
8310	Total of items that will not be re-classified to profit or loss		2660	-	3,696	-
	Items that may be re-classified subsequently to profit or loss					
8361	Exchange differences on translation of foreign financial statements		(50,654)	-	118,846	1
8300	**Other comprehensive income - net**		($ 47,994)	-	$ 122,542	1
8500	**Total comprehensive income**		$ 901,459	6	$ 1,271,828	9
	Net income(loss) attributable to:					
8610	Shareholders of the parent		$ 949,453	6	$ 1,042,666	7
8620	Non-controlling interests		-	-	106,620	1
	Total		$ 949,453	6	$ 1,149,286	8
	Comprehensive income(loss) attributable to:					
8710	Shareholders of the parent		$ 901,459	6	$ 1,165,208	8
8720	Non-controlling interests		-	-	106,620	1
	Total		$ 901,459	6	$ 1,271,828	9
	Earnings per Share	VI(XXXI)				
9750	Basic		$ 6.18		$ 7.51	
9850	Diluted		$ 6.01		$ 7.09	

The accompanying notes to the Consolidated financial statements are an integral part of the consolidated financial statements. Please refer to them as well.

Chairman：Hsi-Chien Cheng　Manager：I-Nan Chou　Accounting Manager：Yi-Miao Kuo

Advanced International Multitech Co., Ltd. And Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to December 31, 2025 and 2024

Unit：NT1,000

	Notes	Equity attributable to shareholders of the parent company												Non-controlling interest	Total equity
			Capital Reserve				Retained Earnings			Other Equities					
		Capital of common shares	Share premiu	Recognized value of changes in equity of ownership of subsidiaries	Stock option	Others	Legal reserve	Special reserve	Undistributed earnings	Exchange difference on translation of foreign financial statements	Unrealized valuation gain/loss of financial assets at fair value through other comprehensive income	Treasury stock	Total		
2024															
Balance as of January 1, 2024		$1,402,003	$1,097,928	$134,103	$39,317	$35,236	$1,288,551	$89,643	$2,424,737	($ 120,805)	($ 2,389)	($200,920)	$6,187,404	$ 334,399	$ 6,521,803
Net income		-	-	-	-	-	-	-	1,042,666	-	-	-	1,042,666	106,620	1,149,286
Other comprehensive income	VI(VI)	-	-	-	-	-	-	-	4,693	118,846	(997)	-	122,542	-	122,542
Total comprehensive income		-	-	-	-	-	-	-	1,047,359	118,846	(997)	-	1,165,208	106,620	1,271,828
2023 earnings appropriation and distribution	VI(XXI)														
Appropriation of legal reserve		-	-	-	-	-	6,989	-	(6,989)	-	-	-	-	-	-
Reversal of special reserve		-	-	-	-	-	-	33,552	(33,552)	-	-	-	-	-	-
Common share cash dividend		-	-	-	-	-	-	-	(68,786)	-	-	-	(68,786)	-	(68,786)
Cash distributed from capital reserve	VI(XX)	-	(151,328)	-	-	-	-	-	-	-	-	-	(151,328)	-	(151,328)
Conversion of convertible bonds	VI(XV) (XIX)	145	911	-	(65)	-	-	-	-	-	-	-	991	-	991
Buyback of subsidiary's convertible bonds		-	-	-	-	-	-	-	-	-	-	-	-	(3,264)	(3,264)
Acquisition of subsidiary's equity	VI(XIX) (XXXII)	144,188	913,783	-	-	-	-	-	(623,471)	-	-	-	434,500	(437,755)	(3,255)
Balance as of December 31, 2024		$1,546,336	$1,861,294	$134,103	$39,252	$35,236	$1,295,540	$123,195	$2,739,298	($ 1,959)	($ 3,386)	($200,920)	$7,567,989	$ -	$ 7,567,989
2025															
Balance as of January 1, 2025		$1,546,336	$1,861,294	$134,103	$39,252	$35,236	$1,295,540	$123,195	$2,739,298	($ 1,959)	($ 3,386)	($200,920)	$7,567,989	$ -	$ 7,567,989
Net income		-	-	-	-	-	-	-	949,453	-	-	-	949,453	-	949,453
Other comprehensive income	VI(VI)	-	-	-	-	-	-	-	2,652	(50,654)	8	-	(47,994)	-	(47,994)
Total comprehensive income		-	-	-	-	-	-	-	952,105	(50,654)	8	-	901,459	-	901,459
2024 earnings appropriation and distribution	VI(XXI)														
Appropriation of legal reserve		-	-	-	-	-	42,388	-	(42,388)	-	-	-	-	-	-
Appropriation of special reserve		-	-	-	-	-	-	(117,849)	117,849	-	-	-	-	-	-
Common share cash dividend		-	-	-	-	-	-	-	(624,018)	-	-	-	(624,018)	-	(624,018)
Conversion of convertible bonds	VI(XV) (XIX)	23,529	142,115	-	(10,140)	-	-	-	-	-	-	-	155,504	-	155,504
Repayment of corporate bonds	VI(XV)	-	-	-	(29,112)	29,112	-	-	-	-	-	-	-	-	-
Disposal of equity instruments measured at fair value through other comprehensive income	VI(VI)	-	-	-	-	-	-	-	(3,378)	-	3,378	-	-	-	-
Balance as of December 31, 2025		$1,569,865	$2,003,409	$134,103	$ -	$64,348	$1,337,928	$ 5,346	$3,139,468	($ 52,613)	$ -	($200,920)	$8,000,934	$ -	$ 8,000,934

The accompanying notes to the Consolidated financial statements are an integral part of the consolidated financial statements. Please refer to them as well.

Chairman：Hsi-Chien Cheng　　Manager：I-Nan Chou　　Accounting Manager：Yi-Miao Kuo

Advanced International Multitech Co., Ltd. And Subsidiaries
Consolidated Statements of Cash Flows
January 1 to December 31, 2025 and 2024

Unit：NT1,000

	Note	2025	2024
Cash flows from operating activities			
Net income (loss) before tax		$ 1,186,232	$ 1,492,734
Adjustments			
Income and expenses items			
Depreciation expenses	VI(IX)(X)(XXVIII)	817,933	674,637
Amortization expenses	VI(XXVIII)	38,398	58,462
Expected credit impairment loss (gain)	XII(II)	6,468	(3)
Net loss(gain) from financial assets and liabilities at fair value through profit or loss	VI(II)(XXVI)	(7,406)	(14,451)
Interest expenses	VI(XXVII)	102,061	99,741
Interest income	VI(XXIV)	(65,924)	(106,537)
Share of the profit(loss) of associates and joint ventures accounted for using equity method	VI(VIII)	(550)	6,277
Loss on non-financial assets impairments	VI(VIII)(IX)(XXVI)	1,402	19,016
Loss on disposal and retirement of property, plants, and equipment	VI(XXVI)	(2,192)	(837)
Reclassification of property, plants, and equipment to expenses		-	91
Reversal gains on disaster loss	VI(XXVI)	-	(7,690)
Gain on lease modification	VI(X)(XXVI)	(250)	-
Amount of reclassification of equipment prepayment to expenses	VI(XXXIII)	233	-
Gain on convertible bonds buyback	VI(XXVI)	-	(3,293)
Changes in operating assets and liabilities			
Net changes in operating activities related assets			
Notes receivable		(2,275)	4,148
Accounts receivable		(550,757)	(340,734)
Other receivable		409	(11,446)
Inventories		81,771	(141,099)
Prepayments		39,264	(58,191)
Other current assets		4,036	2,265
Net changes in operating activities related liabilities			
Financial liabilities at fair value through profit and loss - current		-	(160)
Notes payable		711	(270)
Accounts payable		(101,116)	248,685
Accounts payable -related parties		(4,325)	9,253
Other payable		(210,402)	77,552
Provision for liabilities	VI(XVIII)	(34)	(232,769)
Other current liabilities- others		(5,365)	4,282
Net defined benefit liabilities – non-current		(1,498)	(2,779)
Cash inflows from operating activities		1,326,824	1,776,884
Income tax paid		(104,464)	(323,417)
Net cash inflows from operating activities		1,222,360	1,453,467

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Advanced International Multitech Co., Ltd. And Subsidiaries
Consolidated Statements of Cash Flows
January 1 to December 31, 2025 and 2024

Unit：NT1,000

	Note	2025	2024
Cash flows from investing activities			
Acquisition of financial assets at fair value through profit or loss -current		$ -	($ 255,960)
Acquisition of financial assets at fair value through profit or loss – non-current		(16,323)	(4,105)
Disposal of financial assets at fair value through profit or loss – non-current		6,463	4,201
Disposal of financial assets at fair value through other comprehensive income – non-current		2,622	-
Financial assets measured at amortized costs - decrease (increase) in current		(252)	80,310
Financial assets measure at amortized costs – decrease (increase) in non-current		3,279	(60,890)
Cash dividends received from investments accounted for using the equity method		1,200	-
Acquisition of property, plants, and equipment	VI(XXXIII)	(980,383)	(1,866,736)
Increase in prepayments for business facilities		(60,921)	71,107
Proceeds from disposal of property, plants, and equipment		39,866	11,278
Acquisition of intangible assets	VI(XI)	(35,527)	(18,220)
Increase in refundable deposits		(550)	(16,639)
Decrease in refundable deposits		5,404	-
Other non-current assets – increase in others		(2,574)	(1,158)
Interest received		65,924	106,537
Net cash outflows from investing activities		(971,772)	(1,950,275)
Cash flows from financing activities			
Increase in short-term borrowings	VI(XXXIV)	8,096,085	8,826,294
Decrease in short-term borrowings	VI(XXXIV)	(8,394,230)	(8,808,636)
Increase in long-term borrowings	VI(XXXIV)	948,378	259,134
Decrease in long-term borrowings	VI(XXXIV)	(149,100)	(183,999)
Repayment of the principal amount of rentals	VI(XXXIV)	(64,238)	(66,520)
Increase (decrease) in deposits received		(15,043)	15,089
Interest paid		(83,392)	(75,646)
Cash dividend distributed	VI(XXI)	(624,018)	(68,786)
Cash distributed from capital reserve	VI(XX)	-	(151,328)
Repayment of corporate bonds	VI(XXXIV)	(605,800)	-
Corporate bonds buyback	VI(XXXIV)	-	(37,298)
Net cash outflows from financing activities		(891,358)	(291,696)
Effects of exchange rate changes on cash and cash equivalents		26,149	3,623
Increase (decrease) in cash and cash equivalents– current period		(614,621)	(784,881)
Cash and cash equivalents, beginning of the period		1,991,909	2,776,790
Cash and cash equivalents, end of the period		$ 1,377,288	$ 1,991,909

The accompanying notes to the Consolidated financial statements are an integral part of the consolidated financial statement. Please refer to them as well.

Chairman：His-Chien Cheng　　Manager：I-Nan Chou　　Accounting Manager：Yi-Miao Kuo

Advanced International Multitech Co., Ltd. And Subsidiaries
Notes to the Consolidated Financial Statements
For the Year of 2025 and 2024

Unit：NT$1,000
(Unless Otherwise Specified)

I. Company History

(I) Advanced International Multitech Co., Ltd. (“the Company” hereinafter), originally known as Advanced Composite Design Co., Ltd., obtained its establishment approval on July 20, 1987 and started operation in January1988. The Company merged with its subsidiaries, Da-an Precision Casting Co., Ltd. and Advanced International Co., Ltd. on July 1, 1998. The Company and its subsidiaries (“the Group” hereinafter) are mainly engaged in the manufacturing, processing, trading, import and export of carbon fiber prepackaged materials, and carbon fiber products (e.g., baseball bat, billiard stick, arrow target, golf club shaft and head, fishing tools, bicycle, and bicycle accessories), as well as composite materials, namely carbon fiber fabrics, for the aviation industry.

(II) The Company’s stocks have been traded on the Taipei Exchange (“TPEx” hereinafter) since December 2002.

II. Approval Date and Procedure of Financial Statements

The consolidated financial statements were released on March, 2026, after being approved by the Board of Directors.

III. Application of New and Amended Standards and the Interpretations

(I) Effects of the adoption of new and amended IFRSs endorsed by the Financial Supervisory Commission ("FSC" hereinafter)

The following table summarized the new, revised, and amended standards and interpretations of IFRSs endorsed by the FSC that are applicable in 2025:

New/Revised/Amended Standards and Interpretations	International Accounting Standards Board (IASB)
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025

The Group assessed the effects of adopting the aforementioned standards and interpretations and found no significant effects on the Group's financial position and financial performance.

(II) Effects of not yet applying the newly announced and revised IFRSs endorsed by the FSC

The following table summarized the new, revised, and amended standards and interpretations of IFRSs endorsed by the FSC that are applicable in 2026:

New/Revised/Amended Standards and Interpretations	Effective date issued by the International Accounting Standards Board (IASB)
Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts referencing natural dependent electricity"	January 1, 2026
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 – Comparative Information"	January 1, 2023
Annual Improvements to IFRS Standards: Volume 11"	January 1, 2026

Except those the relevant impact of the standards described below is yet to be assessed, the Group assessed the effects of adopting the aforementioned standards and interpretations and found no significant effects on the Group's financial position and financial performance.

Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measure of Financial Instruments"

The amendment illustrates that equity instruments designated as fair value through other comprehensive income (FVOCI) through an irrevocable election should have their fair value disclosed on a per-class basis and are no longer required to disclose their fair value on a per-underlying basis. In addition, the amount of fair value gains and losses recognized in other comprehensive income during the reporting period should also be disclosed, separately showing the amount of fair value gains and losses related to investments derecognized during the reporting period and the amount of fair value gains and losses related to investments still held at the end of the reporting period, as well as the cumulative gain or loss on the derecognition of an investment during the reporting period that was transferred to equity during the reporting period.

(III) Effects of the IFRSs issued by IASB but not yet endorsed by the FSA

The following table summarizes the new, amended, revised standards and interpretation of IFRSs that have been issued by IASB but not yet endorsed by the FSC:

New/Revised/Amended Standards and Interpretations	Effective date issued by the International Accounting Standards Board (IASB)
Amendments to IFRS 10 and IAS 28 "Sales or Contributions of Assets between an Investor and its Associate or Joint Venture"	Yet to be determined by the IASB
IFRS 18 “Presentation and Disclosure in the Financial Statements”	January 1, 2027 (Note)
IFRS 19 “Subsidiaries without Public Accountability: Disclosure”	January 1, 2027
IFRS 21 “Translation to Hyperinflationary Currencies”	January 1, 2027

Note: The Financial Supervisory Commission announced in its press release dated September 25, 2025, that publicly listed companies will be required to adopt International Financial Reporting Standard 18 (hereinafter referred to as IFRS 18) starting from 2028. Additionally, enterprises that wish to adopt IFRS 18 early may choose to do so after the Financial Supervisory Commission (FSC) has recognized IFRS 18.

Except those the relevant impact of the standards described below is yet to be assessed, the Company assessed the effects of adopting the aforementioned standards and interpretations and found no significant effects on the Company’s financial position and financial performance.

IFRS 18 “Presentation and Disclosure in the Financial Statements”

IFRS 18, “Presentation and Disclosure in Financial Statements”, replaces IAS 1 and updates the structure of the consolidated income statement, adds disclosure of management performance measures, and strengthens the principles of aggregation and disaggregation applied to the primary financial statements and notes

IV. Summary of Significant Accounting Policies

Significant accounting policies adopted to compile this consolidated financial statement are stated as below. Unless otherwise specified, the policies shall be applicable to all reporting periods presented.

(I) Statement of Compliance

The consolidated financial statements have been prepared in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers," as well as International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), the Interpretations, and the Interpretations endorsed by the Financial Supervisory Commission (collectively ”IFRSs” hereinafter).

(II) Basis of Preparation

1. Except for the following significant items, these consolidated financial statements have been prepared under the historical cost convention:

   (1) Financial assets and liabilities measured at fair value through profit or loss (including derivative instruments).

   (2) Financial assets at fair value through other comprehensive income.

   (3) Defined benefit liability that is derived from retirement plan assets less the present value of net defined benefit obligation.

2. Critical accounting estimates are required in preparing a set of financial statements in compliance with IFRSs, and management judgments are also required in the process of applying the Group's accounting policies. For items that are highly judgmental, complex, or related to significant assumptions and estimates of the consolidated financial statements, please refer to Note V.

(III) Basis of Consolidation

1. Principles for the Preparation of Consolidated Financial Statements

   (1) Group includes all subsidiaries as entities in the consolidated financial statements. Subsidiaries refer to entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are included in the consolidated financial statements from the date on which the Group obtains control, and are excluded from the consolidated financial statements from the date when such control ceases.

   (2) Transactions, balances and unrealized gains or losses between companies within the Group are eliminated. Accounting policies of subsidiaries are adjusted, when necessary, to remain consistent with those of the Group.

(3) The profit or loss and each component of other comprehensive income is attributed to the owners of the parent company and to the non-controlling interest. Total comprehensive income is also attributed to the owners of the parent company and non-controlling interest even if this results in the non-controlling interests having a deficit balance.

(4) A change in the ownership interest of a subsidiary without a loss of control (transactions with non-controlling interests) is accounted for as an equity transaction, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

2. Subsidiaries included in the consolidated financial statements:

			Ownership %		
Investor	Subsidiary	Main Business Activities	December 31, 2025	December 31, 2024	Note
Advanced International Multitech Co., Ltd.	Advanced Group International (BVI) Co., Ltd.	Overseas investment	100	100	
Advanced International Multitech Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Engaged in the production and sales of various golf club shafts and heads, golf sets	100	100	
Advanced International Multitech Co., Ltd.	Launch Technologies Co., Ltd. (hereinafter “Launch Technologies”)	Engaged in the production of sports products, other plastic products, and international trade	100	100	Note
Advanced Group International (BVI) Co., Ltd.	Advanced Sporting Goods (Dongguan) Co., Ltd.	Engaged in the production, import and export of carbon fiber prepreg materials and sports products	100	100	

Note: On November 29, 2024, the Company carried out a share conversion with the shareholders of Launch Technologies; the shareholding percentage increased from 51.65% to 100%. Please refer to the explanations in Notes VI(XIX) and (XXXII) for further details.

3. Subsidiaries that are not included in the consolidated financial statements: None.
4. Different accounting and adjustments adopted by subsidiaries in the accounting period: None.
5. Significant restrictions: None.
6. Subsidiaries with material non-controlling interests to the Group: None.

(IV) Foreign Currency Translation

All items on the financial statements of each entity of the Group are measured at the currency of the principal economic environment in which the entity operates (i.e., functional currency). The Consolidated Financial Statements are presented and reported in the Group’s functional currency, New Taiwan Dollars (NT$).

1. Foreign Currency Transaction and Balance

(1) Foreign currency transaction is translated to the functional currency by using the spot exchange rate on the trade date or measurement date. Any translation differences occurred are to be recognized in the current profit or loss.

(2) Balances of monetary assets and liabilities denominated in foreign currencies are adjusted at the spot exchange rates prevailing at the balance sheet date. Exchange gains or losses arising from such adjustments are recognized in profit or loss.

(3) Balances of non-monetary assets and liabilities denominated in foreign currency, if they are measured at fair value through profit or loss, they are adjusted using the spot exchange rate prevailing at the balance sheet date and any exchange differences arising from there are recognized as profit or loss; if such are measured at fair value through other comprehensive income, they are adjusted using the spot exchange rate prevailing at the balance sheet date and any exchange differences arising from there are recognized in other comprehensive income or loss; and if such are not measured at fair value, they are measured at the historical exchange rates on initial transaction dates.

(4) All exchange gains and losses are presented as “Other gains and losses” on the statement of comprehensive income.

2. Translation from Foreign Operations

The operating results and financial position of all entities within the Group that have a functional currency different from the presentation currency are translated into the presentation currency by applying the following approaches:

(1) Assets and liabilities presented on each balance sheet are translated using the closing exchange rate prevailing at the balance sheet date;

(2) Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period;

(3) All the resulting exchange differences are recognized in other comprehensive income; and

(4) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, if the Group still retains partial interests in the former foreign subsidiary but has lost its controlling power over the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in these foreign operations.

(V) Classification of Current and Non-Current Assets and Liabilities

1. Assets that meet one of the following criteria are classified as current assets:
   (1) Assets that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle.
   (2) Assets held primarily for trading purposes.
   (3) Assets that are expected to be realized within 12 months after the balance sheet date.
   (4) Cash and cash equivalents, excluding those that are restricted, or to be exchanged or used to settle liabilities at least twelve months after the balance sheet date.

   Otherwise, they are classified as non-current assets.

2. Liabilities that meet one of the following criteria are classified as current liabilities:
   (1) Liabilities that are expected to be settled within the normal operating cycle.
   (2) Is held primarily for trading purposes.
   (3) Liabilities that are expected to be settled within 12 months after the balance sheet date.
   (4) Liabilities that are not having the right to defer settlement of liabilities for at least twelve months after the reporting period.

   Otherwise, they are classified as non-current liabilities.

(VI) Cash Equivalents

Cash equivalents refer to the investments that are short-term, highly liquid, subject to low risk of changes in value, and readily convertible to known amount of cash. Time deposits satisfying the aforementioned definition and for which the objective of holding is to meet the short-term operating cash commitment are classified as the cash equivalent.

(VII) Financial Assets Measured at Fair Value Through Profit or Loss

1. Financial assets that are neither measured at amortized cost nor measured at fair value through other comprehensive income.
2. For financial assets measured at fair value through profit or loss in transactions that meet regular purchase or sale rules, the Group adopts settlement date accounting to recognize such financial assets.
3. Financial assets at fair value through profit or loss are initially recognized at fair value with related transaction costs recognized in profit or loss, and subsequently measured at fair value with related gains or losses recognized in profit or loss.
4. The Group recognizes dividends income when the rights of shareholders to receive payment are established, provided that the economic benefits related to such

dividends are probable to flow to the Group and the amount of such benefits can be reliably measured.

(VIII) Financial Assets Measured at Fair Value Through Other Comprehensive Income

1. Refers to the irrevocable election made at initial recognition that allows the Group to present fair value changes of equity investment not held for trading in other comprehensive income; or debt investment that meets all the criteria simultaneously:
   (1) Financial assets held within a business model of which the objective of holding is to collect the contractual cash flows and to sell.
   (2) The cash flows on specific dates that are generated from the contractual terms of the financial assets are solely payments of the principle and interest on the principle amount outstanding.
2. For financial assets measured at fair value through other comprehensive income in transactions that meet regular purchase or sale rules, the Group adopts settlement date accounting to recognize such financial assets.
3. Financial assets measured at fair value through other comprehensive income are initially measured at fair value plus transaction costs, and subsequently such are measured at fair value with fair value changes in equity instruments recognized in other comprehensive income. Upon de-recognition, the cumulative gains or losses previously recognized in other comprehensive income shall not be reclassified to profit or loss, but to be transferred to retained earnings. The Group recognizes dividends income when the rights of shareholders to receive payment are established, provided that the economic benefits related to such dividends are probable to flow to the Group and the amount of such benefits can be reliably measured.

(IX) Financial Assets Measured at Amortized Costs

1. Financial assets at amortized cost are those that meet all of the following criteria:
   (1) The objective of the Company’s business model is achieved by collecting contractual cash flows of the financial assets;
   (2) The cash flows on specific dates that are generated from the contractual terms of the financial assets are solely payments of the principle and interest on the principle amount outstanding.
2. For financial assets measured at amortized cost in transactions that meet regular purchase or sale rules, the Group adopts settlement date accounting to recognize such financial assets.
3. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. In subsequent periods, interest income and impairment loss is recognized using the effective interest method based on amortization procedures

during the circulation period. Upon de-recognition, the gain or loss is recognized in profit or loss.

(X) Accounts Receivable and Notes Receivable

1. Accounts receivables and notes receivables are receivables and notes of which the contractual right to consideration for goods sold or services rendered is unconditional.
2. However, short-term accounts/notes receivables without interest payment, given insignificant effects of their discounting, are subsequently measured at the invoice price.

(XI) Impairment of Financial Assets

The Group measures the loss allowance for financial assets measured at amortized cost after taking into account all reasonable and proving information (including foreseeing information) at each balance sheet date; where the credit risk has not significantly increased since initial recognition, the loss allowance is measured at the 12-month expected credit losses; where the credit risk has increased significantly since initial recognition, the loss allowance is measured at full lifetime expected credit losses; and where they are accounts receivables or contract assets that do not comprise any significant financing components, the loss allowance is measured at full lifetime expected credit losses.

(XII) De-recognition of Financial Assets

The Group de-recognizes an asset when its contractual rights to receive cash flows from the financial asset expire.

(XIII) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted moving average method. The costs of work in progress and finished goods include the cost of raw materials, direct labor, other direct costs, and a proportion of manufacturing overheads (based on normal operating capacity), excluding borrowing cost. The item by item approach is employed when evaluating the lower of costs and net realizable value. Net realizable value is the balance of estimated selling price in the normal operating course less the estimated cost of completion and applicable variable selling expenses.

(XIV) Investments Accounted for using Equity Method

1. Associates are all entities over which the Group has significant influence but not holds control power. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20% or more of the voting

power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.

2. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate (including any other unsecured receivables), the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
3. Any changes in equity of associates are recognized as "capital surplus" by the Group in proportion to its shareholding ratio, provided that such changes are not attributable to profit or loss, or to other comprehensive income, or affect the Group's shareholding percentage.
4. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates are adjusted, when necessary, to remain consistent with those of the Group.
5. When the Group disposes its investment in an associate and loses significant influence over this associate, the accounting treatment for amounts previously recognized in other comprehensive income in relation to the associate are the same as the one required if the relevant assets or liabilities were directly disposed of. That is, if gain/loss previously recognized in other comprehensive income will be reclassified to profit or loss upon disposal of relevant assets or liabilities, such gain/loss will be reclassified from equity to profit or loss when the Group loses significant influence over the associate. If it still retains significant influence over this associate, then the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
6. At the balance sheet date, the Group performs impairment tests on associates for which there are indications of impairment. This involves treating the aggregate carrying amount of the investment (including goodwill) as a single asset and comparing its recoverable amount (adopt the higher of the value in use or the fair value less costs to sell) with its carrying amount. Any impairment loss recognized is included in the carrying amount of the investment. A reversal of an impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

(XV) Property, Plant and Equipment

1. Property, plant, and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
2. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognized. All other repairs and maintenance are recognized in profit or loss when incurred.
3. Except for land which is not depreciated, other property, plant, and equipment are subsequently measured using the cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. If the property, plant, and equipment comprise any significant components, they are depreciated individually.
4. The Group reviews each assets' residual values, useful lives and depreciation methods at the end of each financial year. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of

Housing and structures	1	year	~	56	year
Machinery and equipment	1	year	~	30	year
Utility equipment	2	year	~	41	year
Transportation equipment	3	year	~	10	year
Office equipment	1	year	~	10	year
Other equipment	1	year	~	30	year

consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

(XVI) Lease Transaction in a Capacity of a Lease - Right-of-Use Assets/Lease Liabilities

1. A right-of-use asset and a lease liability are recognized for a leased asset on the date when it becomes readily available for the Group's use. When a lease contract is a short-term lease or when it is a lease of which the underlying asset is of low value, lease payments are recognized as an expense on a straight-line basis over the lease term.
2. A lease liability is recognized at the commencement date of the lease in the amount equal to the present value of the remaining lease payments (i.e. the remaining lease payments discounted at the Group's incremental borrowing rate.) Lease payments include:

   (1) Fixed payments, less any lease incentives receivable;

(2) Variable lease payments that based on the current value of an index or a rate;

(3) Lease payments expected to be payable by the Group under the residual value guarantee; and

(4) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequently, lease liabilities are measured at the amortized cost using the effective interest rate method, and interest expense is allocated over the lease term. When a change in the lease term or lease payments occurs due to reasons other than lease modifications, lease liabilities are reassessed and the re-measurements are adjusted to the right-of-use assets.

3. The right-of-use asset should be measured at cost at the commencement date. Cost comprises:

(1) The amount of the initial measurement of the lease liability;

(2) Any lease payments made at or before the commencement date;

(3) Any initial direct costs incurred; and

(4) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

A right-of-use asset is subsequently measured using the cost model and depreciated over the years from the commencement date to the end of the useful life of the right-of-use asset and the end of the lease term, whichever comes earlier. When a lease liability is reassessed, the right-of-use asset is adjusted for any re-measurements of the lease liability.

(XVII) Intangible Assets

Computer software is recognized at acquisition cost, and depreciated by the straight-line method, with an estimated useful life of 3 to 5 years.

(XVIII) Impairment of Non-Financial Assets

The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount of an asset is the greater of its 'fair value minus costs to sell' and its 'value in use'. When circumstances contributed to the recognition of impairment loss of an asset in the previous period do not exist or are decreased, the recognized impairment loss is reversed to the carrying amount of an asset to the extent that it does not exceed the carrying amount (net of depreciation and amortization) if the impairment loss had not been recognized.

(XIX) Borrowings

Borrowings are short-term and long-term loans borrowed from banks. Borrowings are recognized initially at fair value, net of transaction costs incurred. Subsequently, borrowing expenses are recognized in profit or loss based on the difference amounts between the proceeds (net of any transaction costs) and the redemption value that are amortized over the lives of borrowings using the effective interest method.

(XX) Accounts Payable and Notes Payable

1. These refer to the debts incurred by purchase of materials, goods, or services on credit, and the notes payable incurred by both operating and non-operating activities.
2. However, short-term accounts/notes payable without interest payment, given insignificant effects of their discounting, are subsequently measured at the invoice price.

(XXI) Financial Liabilities Measure at Fair Value through Profit or Loss

1. Financial liabilities at fair value through profit or loss refer to financial liabilities designated upon initial recognition to be measured at fair value through profit or loss. Financial liabilities that meet one of the following criteria are designated to be measured at fair value through profit or loss on initial recognition:
   (1) Hybrid (combined) contracts; or
   (2) Can be eliminated or has a significant reduction in measurement or being recognition inconsistency; or
   (3) Such are managed and their performance are evaluated on a fair value basis in accordance with a documented risk management policy.
2. Those are initially recognized at fair value, and the related transaction costs are recognized in profit or loss, and subsequently such are measured at fair value with related gains or losses recognized in profit or loss.

(XXII) Convertible Bonds Payable

The convertible bond issued by the Group was embedded with conversion right (meaning the bondholders can exercise the right to convert the bond into common shares of the Group and the conversion was preset to convert a fixed amount for a fixed number of shares) and call option. At the time of initial issuance, the issue price is classified into financial assets or equity according to the issuance terms and conditions, and the accounting treatment is as follows:

1. Embedded Call Option: At the time of initial recognition, the net amount of the fair value is recorded as "financial assets measured at fair value through profit and loss"; then on the balance sheet date, it is evaluated at the current fair value, and the

amount difference is recognized as "gains or losses of financial assets measured at fair value through profit or loss".

2.Host Contract of the Corporate Bond: It is measured at fair value at the time of initial recognition, and a premium or discount of corporate bonds payable is recognized when there is a difference between the fair value and the redemption value. The effective interest method is subsequently used to recognize gain or loss within the bond circulation period according to the amortization procedure and is deemed as adjustment to "financial costs".

3.Embedded Conversion Right (meet the definition of equity): At the time of initial recognition, the residual value after deducting the above mentioned "financial assets measured at fair value through profit and loss" and "corporate bond payable" from the issuance amount is recorded as "capital reserve-stock option" and will not re-evaluate thereafter.

4.Any directly linked transaction costs of the issuance are allocated in proportion to the elements of each liability and equity based on the above-mentioned element's initial book value.

5.When bondholders convert, the elements of liability on the book (including "corporate bond payable" and "financial assets measured at fair value through profit and loss") are treated in accordance with the subsequent measurement of the associated classification, and the book value of the aforementioned liability elements is added with the book value of "capital reserve-stock option" to be the issuance cost of the common stock conversion.

(XXIII) <u>De-Recognition of Financial Liabilities</u>

The Group de-recognizes liabilities, when the Group fulfills, cancels or expires the obligations specified in the contract.

(XXIV) <u>The Offsetting of Financial Assets and Financial Liabilities</u>

Financial assets and financial liabilities may be offset only when an entity has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously, and the net amount is presented in the balance sheet.

(XXV) <u>Non-Hedging Derivatives</u>

Non-hedging derivatives are initially measured at the fair value of the date when contracts are executed and presented as financial assets or liabilities measured at fair value through profit or loss. Subsequently, they are measured at fair value with gains or losses recognized in profit or loss.

(XXVI) Provision for Liabilities

Provision for liabilities (including contingent liabilities arising from disasters, etc.) are recognized when there is a current legal or constructive obligation due to a past event, it is likely that an outflow of economically beneficial resources will be required to settle the obligation, and the amount of the obligation can be reliably estimated. Provision for liabilities are measured based on the best estimate of the present value of the expenditure required to settle the obligation on the balance sheet date. Future operating losses shall not be recognized as provision for liabilities.

(XXVII) Employee benefit

1. Short-term employee benefits

   Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid and should be recognized as expenses in the period when services are rendered.

2. Pensions

   (1) Defined contribution plan

   For defined contribution plans, the contributions are recognized as pension cost when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

   (2) Defined benefit plans

   A. The net obligation under a defined benefit plan is defined as the present value of pension benefits that employees will receive on retirement for their services with the Company in the current period or prior periods. The amount recognized is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is computed by independent actuaries every year using the projected unit credit method. The discount rate employed is by reference either to the market yields on high quality corporate bonds of which the currency and duration are consistent with the currency and duration of the defined benefit plan, or to the market yields on government bonds (on the balance sheet date) in countries where there is no deep market for high quality corporate bonds.

   B. The re-measured amount of defined benefit plans is recognized in other comprehensive income as it arises and is presented in retained earnings.

3. Termination benefits

   Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Company’s decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Group recognizes expenses at the earlier of when it can no longer withdraw the termination contracts or when it recognizes relevant restructuring costs. Benefits due more than 12 months after balance sheet date are discounted to their present value.

4. Employees' compensation, and directors’ remuneration

   Compensation to employees and remuneration to directors are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligations and those amounts can be reliably estimated. If the accrued amounts are different from the actual distributed amounts resolved by the shareholders subsequently, the differences should be accounted for as changes in accounting estimates.

(XXVIII) Employee Share-Based Payment

The equity-settled, share-based payment agreement is based on the fair value of the equity instrument given on the grant date to measure the employee services obtained, which are recognized as remuneration costs during the vesting period, and the equity is adjusted accordingly. The fair value of such equity instruments should reflect the impact of market price under vested conditions and non-vested conditions. The recognized remuneration cost is adjusted according to the amount of rewards that are expected to meet the service conditions and non-market vested conditions, until the final recognized amount is recognized based on the vested amount on the date of grant.

(XXIX) Income tax

1. Income tax expense includes current income tax and deferred income tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which tax is recognized in other comprehensive income or directly in equity.
2. The income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the shareholders resolve to retain the earnings.
3. Deferred income tax adopts the balance sheet approach and is recognized as the temporary difference between the tax bases of assets and liabilities and their carrying amounts on the consolidated balance sheet at the reporting date. However, the deferred income tax is not accounted for if it arises from initial recognition of

goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group, and it is probable that the temporary differences will not reverse in the foreseeable future, in the circumstance, a deferred income tax will not be recognized. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

4. Deferred income tax assets are recognized to the extent that the temporary difference is likely to be used to offset future taxable income, and unrecognized and recognized deferred income tax assets are reassessed at each balance sheet date.
5. Current income tax assets and liabilities are offset only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset only when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(XXX) Share Capital

1. Common shares are classified as equity.
2. When the Group buys back the issued shares, the consideration paid and the directly attributable incremental costs are recognized as a deduction from shareholders' equity (net of tax). On subsequent reissues of the repurchased shares, the difference between the consideration received, net of any directly attributable incremental costs and the effect of income taxes, and the carrying amount is recognized as an adjustment to shareholders' Equity.

(XXXI) Dividends Distribution

Dividends to be distributed in cash to shareholders of the Company are recognized as liabilities in the financial statements when the dividend plan is resolved in Board of Directors' Meeting; dividends to be distributed in stocks to shareholders of the Company, after the dividend plan being resolved in the shareholders' Meeting, are recognized as stock dividends to be distributed, which is transferred to common share on the date when new shares are issued.

(XXXII) Revenue Recognition

1. The Group manufactures and sells consumer related products and recognizes sales revenue when the control of products is passed to customers, i.e. when products are delivered to customers and the Group doesn't have further performance obligations that might affect the acceptance of goods by customers. Goods are deemed delivered when the risk of delivery, obsolescence and loss is transferred to customers and customers has accepted the goods in accordance with the contractual terms, or when any objective evidence suggests that all criteria for acceptance have been satisfied.
2. Sales revenue is recognized at the contract price, net of business tax, and sales returns, discounts and allowances. The payment terms of most sales transaction are usually due within 60~90 days after the shipping date. Since the time interval between when the committed goods or services are transferred to customers and when customers pay is shorter than one year, the Group does not adjust the transaction price to reflect the time value of money.
3. The Group provides allowance for defective products sold and estimates discounts on a historical basis. A refund liability is recognized upon sales of products.
4. Accounts receivable is recognized when goods are delivered to customers because at which time the Group's right to the consideration for contracts from customers is unconditional, except for the passage of time.

(XXXIII) Government Grants

Government grants are recognized at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. If a government grant is to compensate the Group's expense, then when the related expenses occur, the grant is recognized as profit or loss on a systematic basis.

(XXXIV) Operating Segments

Information on the operating segments is reported in a manner that is consistent with other information reported in the internal management reports for the chief operating decision makers. The chief operating decision makers are responsible for allocating resources to the operating segments and assessing their performance.

V. The primary sources of uncertainties in major accounting judgement, estimates and assumptions

When preparing the consolidated financial statement, management of the Group had determined its accounting policies based on its judgments and made accounting estimates and assumptions based on a rational expectation of future events depending on the circumstances at the balance sheet date. If there is any difference between any major accounting estimates and assumptions made and the actual results, the historical experiences and other factors will be considered for continuous assessment and adjustments. Such estimates and assumptions may result in risks of material adjustment(s) to the carrying amount of assets and liabilities in the next year. Descriptions of the uncertainties in major accounting judgments, estimates, and assumptions are as follows:

(I) Major judgments in adopting the accounting policies

None.

(II) Important accounting estimates and assumptions

1. Expected credit loss of account receivable

A loss allowance for uncollectible Accounts Receive is provided based on their lifetime expected credit losses. In measuring the expected credit losses, the Group must use its judgment to identify the factors that affect the future recoverability of the Accounts Receivable (e.g., customers' operation condition and historical transaction records that may affect customers' ability to pay), and consider the time value of money, and the information that is reasonable and available to prove the forecast of future economic conditions. The said judgments and factors may significantly affect the measurement of the expected credit losses.

As of December 31, 2025, the carrying amount of the Group's Accounts Receivable was $4, 006, 241.

2. The evaluation of inventories

As inventories are stated at the lower of cost or net realizable value, the Group must determine the net realizable value of inventories on balance sheet date using judgments and estimates. Due to the rapid technological changes, the Group evaluates and writes down the cost of inventories to its net realizable value based on normal inventory depletion, obsolete inventories or inventories without market selling value on the balance sheet date. Since the inventory valuation is estimated based on demands for products in a specific future period, it may be subject to significant changes.

As of December 31, 2025, the carrying amount of the Group's inventory was $2,548, 288.

VI. Description of major accounting subjects

(I) Cash and cash equivalents.

	December 31, 2025	December 31, 2024
Cash on hand and revolving funds	$ 605	$ 960
Checking deposits and demand deposit	968,197	1,012,574
Cash equivalents – time deposits	408,486	978,375
	$ 1,377,288	$ 1,991,909

1. The Group deals with financial institutions having high credit quality. The Group also deals with various financial institutions to disperse credit risk. Therefore, the expected risk of default is low.
2. The above time deposits will be classified as cash equivalents according to the nature of the deposits, if the deposits have a maturity of three months or less and are not pledged.

(II) Financial assets and liabilities at fair value through profit/loss

Item	December 31, 2025	December 31, 2024
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Overseas treasury bills	$ 251,410	$ 262,320
Convertible bond contracts	7,396	7,396
Valuation adjustments	5,806	(4,816)
	$ 264,612	$ 264,900
Non-Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Privately offered funds	$ 37,166	$ 26,945
Valuation adjustments	9,458	12,946
	$ 46,624	$ 39,891
Current items:		
Financial liabilities held for trading		
Non-hedging financial derivatives	$ 92	$ -

1. financial assets and liabilities measured at fair value through profit or loss recognized in profit or loss are detailed as below:
2. For information on the credit risk of financial assets at fair value through profit or loss, please refer to Note XII (II).

(III) Financial assets at amortized costs

Item	December 31, 2025	December 31, 2024
Current items:		
Time deposit with maturity over 3 months	$ 264,823	$ 264,571
Non-Current items:		
Redeemable international bonds	$ 64,558	$ 67,837

1. As of December 31, 2025 and 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost was its carrying amount.
2. Please refer to Note VIII for details of the Group's use of financial assets measured at amortized cost as pledge guarantees.
3. Please refer to Note XII(II) for information on the credit risk of financial assets

	2025	2024
Financial assets mandatorily measured at fair value through profit or loss		
Overseas treasury bills	$ 10,622	$ 2,580
Convertible bond redemption right	-	(80)
Privately offered funds	(3,127)	12,111
Financial liabilities held for trading		
Non-hedging derivatives	(89)	(160)
	$ 7,406	$ 14,451

measured at amortized costs. Financial institutions that work with the Group have good credit quality, and the possibility of default is expected to be very low.

(IV) Notes receivable and accounts receivables

	December 31, 2025	December 31, 2024
Notes receivable	$ 4,121	$ 1,846
Accounts receivable	$ 4,014,159	$ 3,488,545
Less: Loss Allowance	(7,918)	(1,450)
	$ 4,006,241	$ 3,487,095

1. Aging analysis of accounts receivable and notes receivable is stated as follows:

	December 31, 2025		December 31, 2024	
	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable
Note overdue	$ 4,121	$ 3,967,800	$ 1,846	$ 3,337,809
Overdue within 30 days	-	23,355	-	99,229
Overdue 31~90 days	-	1,605	-	46,185
Overdue 91~180 days	-	19,234	-	5,308
Overdue more than 181 days	-	2,165	-	14
	$ 4,121	$ 4,014,159	$ 1,846	$ 3,488,545

The above aging analysis is based on the number of days past due.

2. As of December 31, 2025 and 2024, and January 1, 2024, the Group's contracted receivable (including notes receivable) amounted to $4,018,280, $3,490,391, and $3,048,405, respectively.
3. No accounts receivable or notes receivable were pledged as collateral by the Group.
4. As of December 31, 2025 and 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivables and accounts receivable were the carrying amount.
5. Please refer to Note XII(II) for information regarding the credit risks on notes receivable and accounts receivable.

(V) Inventories

	December 31, 2025		
	Cost	Allowance for price decline	Carrying amount
Raw materials	$ 1,063,586	($ 71,587)	$ 991,999
Work in progress	416,520	(506)	416,014
Finished goods	1,137,398	(54,259)	1,083,139
Inventory in transit	57,136	-	57,136
	$ 2,674,640	($ 126,352)	$ 2,548,288

	December 31, 2024		
	Cost	Allowance for price decline	Carrying amount
Raw materials	$ 1,033,388	($ 39,049)	$ 994,339
Work in progress	594,040	(197)	593,843
Finished goods	1,020,165	(45,173)	974,992
Inventory in transit	108,185	-	108,185
	$ 2,755,778	($ 84,419)	$ 2,671,359

	September 30, 2024		
	Cost	Allowance for price decline	Carrying amount
Raw materials	$ 1,066,077	($ 32,259)	$ 1,033,818
Work in progress	472,878	(406)	472,472
Finished goods	821,347	(30,218)	791,129
Inventory in transit	80,232	-	80,232
	$ 2,440,534	($ 62,883)	$ 2,377,651

The Group’s inventory cost recognized as an expense for the current period:

	2025	2024
Cost of inventories sold	$ 12,971,447	$ 11,869,817
Un-allocated manufacturing costs	-	71,878
Loss from price decline	41,933	35,762
Disposition loss	10,674	7,637
Others	(14,047)	(18,395)
	$ 13,010,007	$ 11,966,699

(VI) Financial assets at fair value through other comprehensive income

Item	December 31, 2025	December 31, 2024
Non-Current item:		
Unlisted stocks	$ 55	$ 6,055
Valuation adjustments	-	(3,386)
	$ 55	$ 2,669

1. The Group elected to classify its strategic equity investments as financial assets at fair value through other comprehensive income. The fair value of such investments as of December 31, 2025 and 2024 were $1,116 and $3,623, respectively.

2. The change in the fair value that the Group's financial assets at fair value through other comprehensive income recognized in other comprehensive income/loss during in 2025 and 2024, were $8 and ($997), respectively.
3. In 2025, the Group re-classified an accumulated loss of $3,378 from Other Equity to Retained Earnings due to the liquidation of an unlisted company in which it held as an investment.
4. No financial asset measured at fair value through other comprehensive income was pledged by the Group as collateral.

(VII) Prepayments

	December 31, 2025		December 31, 2024	
Prepaid sales tax	$	55,654	$	29,503
Overpaid sales tax		46,441		74,201
Prepaid expenses		57,413		75,791
Prepayment for purchases		5,146		25,622
	$	164,654	$	205,117

(VIII) Investments accounted for using equity method

	December 31, 2025		December 31, 2024	
Technology on Prototyping Ultimate Co., Ltd.	$	18,321	$	19,466
Baoji Zatech Material Co., Ltd.		3,414		2,895
Maya Metal Technology Co., Ltd.		-		-
Munich Composites GmbH		-		-
	$	21,735	$	22,361

1. As of December 31, 2025 and 2024, the Group did not have any significant associates.
2. The carrying amount and operating results of the Group's individually insignificant associates are summarized as follows:

   As of December 31, 2025 and 2024, the carrying amounts of the Group's individually insignificant associates totaled $21,725 and $22,361, respectively.

	2025		2024	
Net loss - current	$	550	($	6,277)
Other comprehensive income (loss) (net amount after tax)		-		-
Total comprehensive income (loss)	$	550	($	6,277)

3. Munich Composites GmbH applied for capital increase in June 2023, and the Group subscribed the shares in accordance with the shareholding ratio. Hence, the Group's shareholding ratio in the company increased from 27.27% to 30.53%, and is the single largest shareholder of the company. As the Group only

holds one out of its four seats of directors, the Group has no practical ability to direct the relevant activities, and thus it is determined that the Group has no control power but only significant influence over the company.

4. The Group assessed the recoverable amount of Munich Composites GmbH's continuing operations in accordance with International Accounting Standard 36. For the fiscal year 2023, a discount rate of 4.35% was applied in the assessment. Since the recoverable amount was less than the carrying amount, an impairment loss of $4,069 was recognized. As of December 31, 2025, the Group has assessed that there were no significant changes.
5. The Technology on Prototyping Ultimate Co., Ltd. applied for capital increase in February 2023. The Group did not subscribe the shares in accordance with the shareholding ratio, hence the Group's shareholding ratio in the company was decreased from 25.66% to 21.64% and yet still is the single largest shareholder of the company. As there are other shareholders (non-related party) in aggregate holding more than the Group's shareholding and the Group did not have any board seat in the company, the Group has no practical ability to direct the relevant activities, and thus it is determined that the Group has no control power but only significant influence over the company.

(IX) Property, plants, and equipment

	Land	Housing & Structure	Machinery	Water & Electricity Equipment	Transportation equipment	Office facilities	Other equipment	Equipment to be inspected & Construction in progress	Total
January 1, 2025									
Cost	$ 162,544	$ 2,944,159	$ 3,261,924	$ 342,966	$ 6,816	$ 96,155	$ 688,715	$ 554,160	$ 8,057,439
Accumulated depreciation and impairement	-	(925,568)	(1,550,533)	(239,248)	(2,209)	(65,751)	(350,669)	-	(3,133,978)
	$ 162,544	$ 2,018,591	$ 1,711,391	$ 103,718	$ 4,607	$ 30,404	$ 338,046	$ 554,160	$ 4,923,461
2025									
January 1	$ 162,544	$ 2,018,591	$ 1,711,391	$ 103,718	$ 4,607	$ 30,404	$ 338,046	$ 554,160	$ 4,923,461
Addition	-	165,024	433,715	16,761	243	6,632	74,013	181,911	878,299
Re-Classification	-	207,762	139,807	12,207	-	304	20,241	(323,648)	56,673
Disposal -Recuce in cost	-	(136,635)	(121,406)	(2,995)	(310)	(9,130)	(39,663)	-	(310,139)
Disposal - Reduce in Accumulated depreciation & impairment	-	136,635	85,840	2,995	310	9,108	37,577	-	272,465
Depreciation expenses	-	(213,615)	(377,956)	(28,596)	(1,048)	(12,205)	(104,749)	-	(738,169)
Impairment loss (Note 1)	-	-	(1,402)	-	-	-	-	-	(1,402)
Net exchange difference	-	(54,292)	(42,003)	(334)	(78)	(297)	(3,376)	(5,856)	(106,236)
December 31	$ 162,544	$ 2,123,470	$ 1,827,986	$ 103,756	$ 3,724	$ 24,816	$ 322,089	$ 406,567	$ 4,974,952
December 31, 2025									
Cost	$ 162,544	$ 3,114,745	$ 3,656,136	$ 367,126	$ 6,672	$ 93,203	$ 738,227	$ 406,567	$ 8,545,220
Accumulated depreciation & impairement	-	(991,275)	(1,828,150)	(263,370)	(2,948)	(68,387)	(416,138)	-	(3,570,268)
	$ 162,544	$ 2,123,470	$ 1,827,986	$ 103,756	$ 3,724	$ 24,816	$ 322,089	$ 406,567	$ 4,974,952

	Land	Housing & Structure	Machinery	Water & Electricity Equipment	Transportation equipment	Office facilities	Other equipment	Eequipment to be inspected & Construction in progress	Total
January 1, 2024									
Cost	$ 162,544	$ 2,510,571	$ 2,280,973	$ 321,330	$ 2,301	$ 90,213	$ 505,487	$ 237,164	$ 6,110,583
Accumulated depreciation and impairement	-	(809,494)	(1,386,704)	(200,343)	(1,682)	(61,835)	(332,590)	(1,691)	(2,794,339)
	$ 162,544	$ 1,701,077	$ 894,269	$ 120,987	$ 619	$ 28,378	$ 172,897	$ 235,473	$ 3,316,244
2024									
January 1	$ 162,544	$ 1,701,077	$ 894,269	$ 120,987	$ 619	$ 28,378	$ 172,897	$ 235,473	$ 3,316,244
Addition	-	337,730	924,892	5,701	4,587	13,662	169,398	489,827	1,945,797
Re-Classification	-	69,722	173,285	10,179	-	-	74,457	(174,889)	152,754
Disposal -Recuce in cost	-	(63,382)	(193,676)	(2,712)	(150)	(10,575)	(75,251)	(5,042)	(350,788)
Disposal - Reduce in Accumulated depreciation & impairment	-	63,364	191,069	2,712	150	10,548	72,504	-	340,347
Depreciation expenses	-	(162,847)	(299,697)	(34,456)	(639)	(12,219)	(77,650)	-	(587,508)
Impairment loss (Note 1)	-	-	(16,263)	-	-	-	(2,753)	-	(19,016)
Reversal of impairment loss (Note 2)	-	8,086	-	-	-	-	-	1,691	9,777
Net exchange difference	-	64,841	37,512	1,307	40	610	4,444	7,100	115,854
December 31	$ 162,544	$ 2,018,591	$ 1,711,391	$ 103,718	$ 4,607	$ 30,404	$ 338,046	$ 554,160	$ 4,923,461
December 31, 2024									
Cost	$ 162,544	$ 2,944,159	$ 3,261,924	$ 342,966	$ 6,816	$ 96,155	$ 688,715	$ 554,160	$ 8,057,439
Accumulated depreciation & impairement	-	(925,568)	(1,550,533)	(239,248)	(2,209)	(65,751)	(350,669)	-	(3,133,978)
	$ 162,544	$ 2,018,591	$ 1,711,391	$ 103,718	$ 4,607	$ 30,404	$ 338,046	$ 554,160	$ 4,923,461

Note 1: In 2025 and 2024, the Group recognized impairment losses and adjusted the carrying amounts of certain machinery and equipment to their recoverable amounts due to lower-than-expected economic benefits and changes to certain production lines, respectively.

Note 2: The major fire incident happened in the factory site of Launch Technologies on Sept. 22, 2023 impaired partial housing and structure and unfinished construction in its Plant II, and Launch Technologies reversed the accumulated impairment loss due to subsequent recovery.

1. Capitalized amount and interest range of borrowing costs attributable to property, plant, and equipment:

	2025	2024
Amount of Capitalization	$ 502	$ 2,206
Range of capitalized interest rate	1.885%	1.25%~1.375%

2. Significant components of the Group's buildings and structures include buildings and air conditioning engineering works, which are respectively depreciated over the periods of 36~ 56 years and 3~21 years.
3. Please see Note X for fire incident related loss recognized in the account of Property, plant, and equipment by Launch Technology.
4. Please refer to Note VIII for detailed information regarding property, plant, and equipment pledged as collateral.

(X) Lease transaction – Lessee

1. The Group's leased assets comprise lands and buildings, of which the lease term is usually between 2 years to 50 years. Lease contracts are individually negotiated and include various terms and conditions that impose no other restrictions except that the leased assets shall not be collateralized against any borrowings, nor shall they be subleased, co-leased, lent out for others' use, nor the right of lease be transferred to others.
2. Below is the carrying amounts of right-of-use assets and their recognized depreciation expenses:

	December 31, 2025	December 31, 2024
	Carrying Amount	Carrying Amount
Land	$ 662,380	$ 697,747
Housing & Structure	81,569	53,713
Machinery	19,803	21,072
Transportation equipmen	-	280
	$ 763,752	$ 772,812

	2025	2024
	Depreciation expenses	Depreciation expenses
Land	$ 25,896	$ 26,136
Housing & Structure	42,708	49,129
Machinery	10,889	11,561
Transportation equipme	271	303
	$ 79,764	$ 87,129

3. The additions to the Group's right-of-use assets in 2025 and 2024 amounted to $86,427 and $73,699, respectively. In 2025 and 2024, the right-of-use assets were adjusted by the amount of ($6,975) and $2,969, respectively, and lease liabilities were adjusted in the amount of ($7,225) and $2,969, respectively due to lease modifications.
4. The following table shows the profit or loss items in connection with lease contracts:

	2025	2024
Items that affect current profit or loss		
Interest expense on lease liability	$ 10,743	$ 11,074
Expense on short-term lease contract and leases of low-value assets	18,592	21,040
Gains on lease modification	250	-

5. The Group's total cash used in lease were $93,573 and $98,634 in 2025 and 2024 respectively.
6. The option to extend a lease and the option to terminate a lease.
   (1) Contracts of which the underlying assets are types of land, buildings and structures contain a lease extension option exercisable by the Group.
   (2) The group determines the lease term by taking into consideration all relevant facts and circumstances that may create an economic incentive for the Group to exercise the extension option. When there occur major issues in relation to assessing whether to execute the right of extension or whether not to execute to terminate right, the term of lease shall be re-assessed.

(XI) Intangible assets

	Computer Software	
	2025	2024
January 1		
Cost	$ 47,584	$ 35,924
Accumulated amortization	(26,493)	(20,555)
	$ 21,091	$ 15,369
January 1	$ 21,091	$ 15,369
Addition - from separately acquired	35,527	18,220
Derecognition - reduction in cost	(223)	(6,560)
Derecognition - reduction in accumulated amortization	223	6,560
Amortization expenses	(18,037)	(12,621)
Effects of exchange rate changes	(56)	123
December 31	$ 38,525	$ 21,091
December 31		
Cost	$ 82,888	$ 47,584
Accumulated amortization	(44,363)	(26,493)
	$ 38,525	$ 21,091

Amortization of intangible assets is detailed as below:

	2025	2024
Operating costs	$ 4,621	$ 5,540
Administrative expenses	3,807	822
Research & Development expenses	9,609	6,259
	$ 18,037	$ 12,621

(XII) Short-term loans

Type of Loans	December 31, 2025	December 31, 2024
Bank credit loans	$ 1,217,124	$ 1,619,977
Bank secured loans	60,000	-
Loans against letter of credit	52,401	61,936
	$ 1,329,525	$ 1,681,913
Range of interest rates	0%~4.4%	0%~6.61%

1. Please refer to Note VIII “Pledged Assets” for collateral against the said short-term loans.
2. Please refer to Note VI (XXVII) for information regarding the Group’s interest expense of bank loans recognized in profit or loss.

(XIII) Other payable

	December 31, 2025	December 31, 2024
Payroll and bonus payable	$ 580,876	$ 671,135
Processing fee payable	326,845	379,812
Employee and directors remuneration payable	72,677	59,835
Equipment expenses payable	29,372	131,456
Others	335,102	435,766
	$ 1,344,872	$ 1,678,004

(XIV) Other current liabilities

	December 31, 2025	December 31, 2024
Receipts under custody	$ 40,934	$ 40,162
Contract liabilities - current	19,857	26,990
Others	2,902	1,265
	$ 63,693	$ 68,417

(XV) Corporate bond payable

As of December 31, 2025: None.

	December 31, 2024
Corporate bonds payable	$ 761,600
Less: discount on corporate bonds payable	(7,573)
	754,027
Less: corporate bonds due within one year	(754,027)
	$ -

1. The Company issued the 3rd domestic unsecured convertible bond.

(1) Terms and Conditions:

A. Upon competent authority's approval, the Company issued the third domestic unsecured convertible corporate bond, which was issued at 102% of the face value of $1,000,000. The total amount raised was $1,026,225 with 0% coupon rate. The circulation period is 3 years, starting from July 20, 2022 to July 20, 2025. When the convertible corporate bonds mature, bondholders will be repaid in cash in one lump sum according to the face value of the bonds. The convertible bonds were listed for trading on the TPEx on July 20, 2022 and were mature on July 20, 2025, and trading was ceased on the business day following the maturity date (July 21, 2025)

B. Except for the period specified in the prospectus or the temporary suspension period required by regulations, starting from the following day (October 21, 2022) of three full months after the bond issuance date till the date of mature, the bondholders can exercise the right to convert into the Company’s common stocks, which have the same rights and obligations with the generally issued common stock.

C. The conversion price of this convertible corporate bond is determined according to the pricing model stipulated in the conversion method. The conversion price at the time of issuance was NT$81 per share, which may be adjusted following the pricing model stipulated in the conversion method if there is circumstance of anti-dilution; subsequently, on the base date stated on the conversion method, the Company will re-adjust the conversion price based on the pricing model stipulated in the conversion method. If the adjusted price is higher than the initially set conversion price, then the conversion price will not be adjusted. As of July 20, 2025, the conversion price has been adjusted to NT$65.3 per share.

D. Within the period starting from the day following the 3 full months of the issuance date of the convertible bonds (October 21, 2022) to forty days before the expiration of the issuance period (June 10, 2025), if the closing price of the Company's common stock exceeds 30% of the initially set conversion price for consecutive 30 transaction days, the Company is able to notify bondholders and buyback all the bonds in cash with the face value stated on the bond within 30 business days. Or within the period starting from the day following the 3 full months of the issuance date of the convertible bonds (October 21, 2022) to forty days before the expiration of the issuance period (June 10, 2025), if the amount of the remaining outstanding bonds is lower than 10% of the total issuance amount, the Company may buy back all the remaining outstanding bonds in cash with the face value stated on the bonds at any time.

E. According to the conversion method, all the converted corporate bonds that the Company has collected (including repurchased from the OTC), repaid or converted will be canceled, and all the rights and obligations attached to the bonds will also be extinguished, and will no longer be issued.

(2) As of July 20, 2025, the convertible corporate bonds with a face value of $552,700 were converted into 7,255 thousand ordinary shares, accounting for

an ordinary share capital of $72,550 and a capital reserve-convertible bond conversion premium of $501,088.

(3) When issuing convertible corporate bonds, the Company separated equity type conversion rights from all the liabilities components and recorded $65,084 in the account of "Capital Reserve-Stock Option" according to IAS 32 "Financial Instrument - Presentation". As of July 20, 2025, after conversion and reversal, the balance of the above-mentioned "capital reserve - stock options" was $0. Besides, according to IFRS 9 "Financial Instruments", the embedded call right is treated separately when the liability product's financial character and risk is not closely linked; hence, the net value is recorded as "financial assets or liabilities measured at fair value through profit and loss". After the separation, the effective interest rate of the liability on the main contract is 1.4745%.

(4) The aforementioned corporate bonds matured on July 20, 2025. A total of 4,473 bonds were not converted upon maturity, and the Company has repaid the creditors in a single lump-sum cash payment based on the face value of the bonds (NT$100,000 per bond).

(5) The value of the redemption right for the convertible corporate bonds as of December 31, 2024, was $0. For details regarding the net gains or losses recognized in profit or loss for financial assets measured at fair value through profit or loss, please refer to Note VI(XXVI) Other Gains and Losses.

2. Launch Technologies issued the first unsecured domestic convertible bond.

(1) Terms and Conditions:

A. Upon competent authority's approval, Launch Technologies issued the first domestic unsecured convertible corporate bond, which was issued at 102.98% of the face value of $500,000. The total amount raised was $514,901 with 0% coupon rate. The circulation period is 3 years, starting from October 7, 2022 to October 7, 2025. When the convertible corporate bonds mature, bondholders will be repaid in cash in one lump sum according to the face value of the bonds within 5 business days starting from the following day of mature. The convertible corporate bonds were listed and traded on October 7, 2022 at TPEx. And since the share swap execution with the Company on November 29, 2024, its TPEx trading was terminated on the same date.

B. Except for the period specified in the prospectus or the temporary suspension period required by regulations, starting from the following day (January 8, 2023) of three full months after the bond issuance date till the date of mature, the bondholders can exercise the right and request Launch Technologies, to convert the bonds into Launch Technologies's ordinary stocks, which have the same rights and obligations with the generally issued common stock at any time.

C. The conversion price of this convertible corporate bond is determined according to the pricing model stipulated in the conversion method. The conversion price at the time of issuance was NT$75 per share, which may be adjusted following the pricing model stipulated in the conversion method if there is circumstance of anti-dilution; subsequently, on the base date stated on the conversion method, Launch Technologies will re-adjust the conversion price based on the pricing model stipulated in the conversion method. If the adjusted price is higher than the initially set conversion price, then the conversion price will not be adjusted. Up until November 29, 2024, the conversion was adjusted to NT$70.5.

D. Within the period starting from the day following the 3 full months of the issuance date of the convertible bonds (January 8, 2023) to forty days before the expiration of the issuance period (August 28, 2025), if the closing share price of Launch Technologies exceeds 30% of the initially set conversion price for consecutive 30 transaction days, Launch Technologies is able to notify bondholders and buyback all the bonds in cash with the face value stated on the bond within 30 business days. Or within the period starting from the day following the 3 full months of the issuance date of the convertible bonds (January 8, 2023) to forty days before the expiration of the issuance period (August 28, 2025), if the amount of the remaining outstanding bonds is lower than 10% of the total issuance amount, Launch Technologies may buy back all the remaining outstanding bonds in cash with the face value stated on the bonds at any time

E. According to the conversion method, all the converted corporate bonds that Launch Technologies has collected (including repurchased from the TPEx), repaid or converted will be canceled, and all the rights and obligations attached to the bonds will also be extinguished, and will no longer be issued.

(2) As of October 7, 2025, the convertible corporate bonds with a face value of $303,200 were converted into 4,230 thousand ordinary shares and was recorded as ordinary share capital of $42,300 and a capital reserve-convertible bond conversion premium of $270,473.

(3) As of October 7, 2025, Launch Technologies has not yet bought back the convertible corporate bonds from the TPEx.

(4) Upon the share swap between the Company and Launch Technologies on November 29, 2024, the debt holders are entitled to convert the Bonds into the Company's common shares at any time prior to the maturity date by applying to Launch Technologies for a direct conversion of the Bonds into the Company's ordinary shares based on the latest conversion price and the conversion ratio set forth in the Share Swap contract. According to the current conversion price of NT$70.5 and the share swap ratio, it is calculated the price is at NT$130.6; each certificate having a par value of NT$100,000 may be converted into 765 ordinary shares of the Company. For the period from November 29, 2024 to October 7, 2025, no bondholder has yet executed a conversion.

(5) The value of the redemption option for the convertible corporate bonds as of December 31, 2024, was $0. For details regarding the net gain or loss recognized in profit or loss for financial assets measured at fair value through profit or loss, please refer to Note VI(XXVI) Other Gains and Losses.

(6) The aforementioned corporate bonds matured on October 7, 2025. A total of 1,968 bonds remained unconverted at maturity and Launch Technologies has repaid the creditors in a single lump-sum cash payment based on the face value of the bonds (NT$100,000 per bond).

(XVI) Long-term loans

Type of loans	Loan Term & Repayment Method	Range of Interest Rate	Collateral	December 31, 2025
Long-term bank borrowings				
Credit loan	Duration from March 2025 to March 2030 and interest paid on a monthly basis. In addition, from March 2026 onwards, the remaining amounts are paid back in installments semi-annually.	4.70%	None	$ 521,738
Credit loan	Duration from July 2025 to April 2029 and interest paid on a monthly basis. Principals are paid in installments.	1.98%	None	298,200
Credit loan	Duration from November 2025 to July 2027 and interest paid on a monthly basis. Principals are paid in installments.	4.99%	None	240,600
				1,060,538
Less: Long-term borrowings that due within 1 year				(104,348)
				$ 956,190

Type of loans	Loan Term & Repayment Method	Range of Interest Rate	Collateral	December 31, 2024
Long-term bank borrowings				
Secured loan	Duration from July 2024 to July 2027 with a single lump-sum repayment at maturity.	6.1%~7.41%	Note 1	$ 96,346
Credit loan	Duration from July 2024 to July 2027 with a single lump-sum repayment at maturity.	6.1%~7.06%	None	162,788
				259,134
Less: Long-term borrowings that due within 1 year				-
				$ 259,134

Note 1: The collateral for the loan consists of machinery and equipment; however, as of December 31, 2024, the pledge has not yet been established.

Note 2: In 2021, the Group received a low-interest loan under the Executive Yuan's "Roots in Taiwan Enterprise Accelerated Investment Project." The loan term was five years, and the loan amount was $261,970. Upon receipt of the loan proceeds, the Group recognized deferred government grant income of $2,447. As of December 31, 2024, the balance of this deferred government grant benefit was $0, and government grant revenue of $284 was recognized in 2024 based on the amortization of interest over the loan term.

1. Please refer to Note VIII "Pledged Assets" for collateral of the above-listed long-term loans.
2. Partial collateral of bank loans of the Group was damaged in the fire incident. Due to breach of the terms of the loan contract, the bank has the right to require early repayment of an amount of $107,426. The Group has repaid the loan in advance on April 10, 2024. Please refer to Note XII(II)3.(3) for the explanation on the advanced repayment of the above-mentioned loan

3. For the Group's bank loans related interest expenses recognized in profit or loss, please refer to Note VI (XXVIII) for detailed information.

(XVII) Pensions

1. (1) In compliance with the requirements set forth in the "Labor Standards Act", the Company has stipulated a defined benefit pension plan, which is applicable to the years of service rendered by regular employees prior to, and after (if employees elect to continue to apply the Labor Standards Law), the implementation of the Labor Pension Act on July 1, 2005. Pension payments for employees qualified for the aforementioned retirement criteria are calculated in accordance with the years of service rendered and the average salaries or wages of the last 6 months prior to retirement. Two base points are given for each full year of service over the first 15 (including) years, and one base point is given for an additional year of service thereafter, provided that the total base points shall not exceed forty-five (45) point. The Company contributes, on a monthly basis, 2% of the total salary (wages) as the pension fund, which is deposited into a designated account with the Bank of Taiwan under the name of the Supervisory Committee of Workers' Retirement Fund. Prior to the end of each annual period, the Company would assess the balance of the aforementioned designated pension fund account, and if the balance is determined insufficient to pay off the pension amount computed by the aforementioned approach for employees qualified for retirement in the next year, the Company will make a lump sum contribution to make up the shortfall before the end of March in the following year.

(2) The recognized amounts on the balance sheet are listed as below:

	December 31, 2025	December 31, 2024
Present value of the net defined obligation	$ 101,437	$ 101,783
Fair value of the planned assets	(74,342)	(69,876)
Net defined benefit liabilities	$ 27,095	$ 31,907

(3) Changes in net defined liabilities are as follows:

		Present value of defined benefit obligations		Fair value of plan assets		Net defined benefit liabilities
2025						
Balance as of January 1	$	101,783	($	69,876)	$	31,907
Service cost - current		135		-		135
Interest expense (income)		1,629	(	1,118)		511
		103,547	(	70,994)		32,553
Re-Measurements:						
Return on plan assets (exclude interest income or expense)						
Changes in financial		1,928		-		1,928
Experience adjustment	(	507)	(	4,736)	(	5,243)
		1,421	(	4,736)	(	3,315)
Provision of pension funds		-	(	2,143)	(	2,143)
Pension paid	(	3,531)		3,531		-
Balance as of December 31	$	101,437	($	74,342)	$	27,095

		Present value of defined benefit obligations		Fair value of plan assets		Net defined benefit liabilities
2024						
Balance as of January 1	$	102,305	($	61,753)	$	40,552
Service cost - current		137		-		137
Interest expense (income)		1,227	(	741)		486
		103,669	(	62,494)		41,175
Re-Measurements:						
Return on plan assets (exclude interest income or expenses)						
Changes in financial	(	2,891)		-	(	2,891)
Experience adjustments		1,652	(	4,627)	(	2,975)
Provision of pension funds		-	(	3,402)	(	3,402)
Pension paid	(	647)		647		-
Balance as of December 31	$	101,783	($	69,876)	$	31,907

(4) The Company’s defined benefit pension plan (the “Fund”) is entrusted to the Bank of Taiwan, which manages, or entrusts others to manage, the Fund in accordance with entrusted items enumerated in Article 6 of the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund (i.e. deposit in domestic or foreign institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, and investment in domestic or foreign real estate and its securitization products) to the extent of limitations on investment percentage and amount as stipulated in the Fund’s annual utilization plan. The status of utilization of the Fund is subject

to supervision by the Labor Pension Fund Supervisory Committee. With regards to the utilization of the Fund, the minimum earnings in the annual distributions on the final financial statement shall not be less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. In case any deficiency in the earnings arises, Treasury Funds can be used to cover the deficits after the approval of the competent authority. Since the Company has no right to participate in the operation and management of the Fund, it is not able to disclose the classification of the fair value of plan assets as required in IAS 19 paragraph 142. For the fair value of the total retirement fund as of December 31, 2025 and 2024, please refer to the Labor Retirement Fund Utilization Report published by the government each year.

(5) Actuarial assumptions on pensions are summarized as follows:

	2025	2024
Discount Rate	1.30%	1.60%
Future salary increase rate	2.5%	2.50%

Future mortality rate is estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table.

Analysis of the present value of defined benefit obligation affected by changes in primary actuarial assumptions is as follow:

	Discount Rate		Future Salary Increase Rate	
	Increase by 0.25%	Decrease by 0.25%	Increase by 0.25%	Decrease by 0.25%
December 31, 2025				
Effect on the present value of defined benefit obligation	($ 1,611)	$ 1,654	$ 1,386	($ 1,359)

	Discount Rate		Future Salary Increase Rate	
	Increase by 0.25%	Decrease by 0.25%	Increase by 0.25%	Decrease by 0.25%
December 31, 2024				
Effect on the present value of defined benefit obligation	($ 1,743)	$ 1,792	$ 1,525	($ 1,493)

The sensitivity analysis presented above is an analysis of effects resulted from changes in a single assumption while other assumptions are held constant. In practice, quite a few changes in assumptions are correlated. The method employed for sensitivity analysis is the same as the method used to calculate the net pension liability presented on the balance sheet.

The method and assumptions used for the preparation of the sensitivity analysis for the current period are the same as those used in the previous periods.

(6) The Company expects to make contributions of $2,092 to the pension plans within one year.

(7) As of December 31, 2025, the weighted average duration of the retirement plan is 7 years.

2. (1) Starting from July 1, 2005, the Company and domestic subsidiaries have set up a defined contribution plan for all employees with ROC citizenship in accordance with the Labor Pension Act. Where the employees have elected to apply the labor pension system as stipulated in the Labor Pension Act, the Company and subsidiaries make a contribution in an amount equal to 6% of the employees' monthly salaries or wages to their individual accounts in the Bureau of Labor Insurance. Payment of the pension fund will be paid in a monthly basis or in a lump sum with the amounts calculated based on the pension fund account balance and the accrued benefits accumulated over the years.

(2) Advanced Sporting Goods (Dongguan) Co., Ltd. makes a pension contribution on a monthly basis in an amount equal to a certain percentage of the employees' monthly salaries and wages in accordance with the requirements as set forth in the pension system of the People's Republic of China. The appropriation percentage were 16% and 15% in 2025 and 2024, respectively. The pension for each employee is managed by the government; hence the Group doesn't have further obligations except for making a monthly contribution.

(3) As required by the Vietnamese government, ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD. makes a monthly contribution in an amount equal to one month of an employee's minimum wages to the retirement plan, which is managed by the various responsible departments of the Vietnamese government. Other than making a monthly contribution, the Company has no further obligations.

(4) In 2025 and 2024, the pension costs recognized by the Group in accordance with the aforementioned contribution plans were $129,117 and $127,561, respectively.

(XVIII) Provision for liabilities

	Disaster Indemnification Loss	
	2025	2024
Balance as of January 1	$ 40,911	$ 273,680
Provision for liabilities used during the period	(34)	(232,769)
Balance as of December 31	$ 40,877	$ 40,911

Please see Note X for indemnification amount estimated and recognized by Launch Technologies with regards to the fire incident.

(XIX) Capital stock

As of December 31, 2025, the Company had an authorized capital in the amount of $1,800,000 with 180,000 thousand shares (including 5,000 thousand shares held for the exercise of stock option certificates, bonds with attached warrants, and preferred stocks with warrants), and a paid-in capital in the amount of $1,569,865 with each share priced at NT$10. Share payments for the Company's issued stocks have been collected in full.

1. Number of the Company's outstanding common shares at the beginning of periods and the end of the periods were adjusted as below (in thousand shares):

	2025	2024
1-Jan	152,005	137,571
Issuance of new shares in exchange for shares of subsidiaries (Note 1)	-	14,419
Corporate Bond Conversion (Note 2)	2,353	15
31-Dec	154,358	152,005

Note 1: On April 15, 2024, the Company's Board of Directors resolved to acquire 100% of the shares of Launch Technologies by issuing new shares in consideration of a share exchange at a ratio of 1 share of Launch Technologies' common stock for 0.54 shares of the Company's common stock, with the record date of the exchange on November 29, 2024, and the registration of the change has been completed.

Note 2: The Company's corporate bonds were converted into 2,353 thousand ordinary shares in 2025, and the Board of Directors of the Company, on August 4, 2025, approved and resolved to set the date as the record date for the conversion and issuance of new shares, and the related procedures for registration of the conversion have been completed. The Company's convertible corporate bonds were converted into 15 thousand ordinary shares in 2024, which has been approved and resolved in the Board Meeting on February 27, 2025 to set the day as the record date for the conversion and issuance of new shares, and the related registration were completed.

2. Treasury Stock

(1) Reasons for recovery of shareholding and its quantity:

		December 31, 2025	
Name of investor company	Reason for recovery	Number of shares (in thousand shares)	Carrying amount
The Company	Available for transfer of shares to employees (Note)	2,629	$ 200,920

		December 31, 2024	
Name of investor company	Reason for recovery	Number of shares (in thousand shares)	Carrying amount
The Company	Available for transfer of shares to employees (Note)	2,629	$ 200,920

Note: On September 22, 2021, the Company's board of directors resolved to buy back treasury stocks; it was estimated to buy back 6,700 thousand shares in total and the execution period started from September 23, 2021 to November 22, 2021. In consideration of fund planning and effective utilization, the Company bought back shares in batches depending on the changes of the Company’s stock price. Hence, the treasury buyback plan this time wasn’t fully executed and the actual shares repurchased totaled 3,379 thousand shares. On January 13, 2023, and January 20, 2022, the board resolved to transfer 350 thousand and 400 thousand treasury stock respectively to employees of the Company and the Company’s subsidiary with the set average buyback price of NT$76.42. As of December 31, 2025, there were totaled 750 thousand shares being transferred to employees of the Company and the Company’s subsidiary.

(2) The Securities and Exchange Act stipulates that the proportion of the Company's repurchase of outstanding shares shall not exceed 10% of the Company's total issued shares, and the total amount of shares purchased shall not exceed the retained earnings plus the premium of issued shares and the amount of realized capital reserve.

(3) The treasury stocks held by the Company shall not be pledged in accordance with the regulations of the Securities and Exchange Act and shall not be entitled for shareholder rights before being transferred.

(4) According to the regulations stated in the Securities and Exchange Act, the shares re-purchased for the transfer of shares to employees shall be transferred within five years on the date of the repurchase. Those are not transferred within the time limit shall be deemed to have not issued by the Company and shall be written off and removed from the registration.

(XXI) Capital reserve

1. Under the Company Act, capital surplus arising from shares issued at premium or from donation may be used for offsetting the deficit. Furthermore, if the Company has no accumulated loss, the capital surplus may be used for issuing new shares or distributing cash in proportion to shareholders' original holdings. In addition, according to the regulations stated in the Securities and Exchange Act, when the above-mentioned capital surplus is used for capitalization, the total amount every year shall not exceed 10% of the paid-in capital. The Company may use the capital surplus to offset loss only when the number of earnings and reserves are insufficient to offset the loss.
2. On February 29, 2024, the board of directors resolved to distribute cash of NT$1.1 per share, totaling $151,328, from capital reserve, and the cash distribution plan was reported in the Shareholders' Meeting on May 27, 2024.

(XXI) Retained earnings

1. The Articles of Incorporation requires that earnings after the final account, if any, shall be used in the first place to pay off the profit-seeking enterprise income tax and to offset the previous deficits according to law; and 10% of the remainder, if any, shall be set aside as its legal reserve, except in cases when the legal reserve has reached the capital amount. If there are any remaining earnings, a special reserve shall be provided or reversed in accordance with laws or regulations imposed by the competent authority; the remaining amount, if any, shall be added up to the undistributed earnings accumulated from the prior periods to serve as the distributable earnings, of which the amount of distribution and retention shall be indicated in the earnings distribution proposal which is made by the Board of Directors before submitting to the Shareholders' Meeting for approval. The cash dividends distributed shall not less than 10% of the total dividends distributed of the same year.

   The Company, following the regulations in the Company Act, authorizes the dividends, bonuses, capital reserve or legal reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and thereto a report shall be submitted to the shareholders' meeting. The provisions of the preceding paragraph regulating that must be resolved by the shareholders' meeting are not applicable.

2. The Company's dividend policy is stated as below: for continuous operation and profit enhancement, the Company adopts a residual dividend policy.
3. Legal reserves may only be used for offsetting deficits and issuing new shares or distributing cash in proportion to shareholders' original holdings. However, when new shares are issued or cash is distributed, the amount shall be limited to 25% of the reserves in excess of the paid-in capital.
4. The Company may allocate earnings only after providing a special reserve for debit balance in other equity on the date of the balance sheet, and the reversal of debit balance in other equity, if any, may be stated into allocable earnings.
5. On February 27, 2025, the Board of Directors resolved to distribute a cash dividend of NT$4.1 per share from the Company's 2024 earnings. Due to the effect of the conversion of the 3rd domestic unsecured convertible bonds, the dividend per share is adjusted to MT$4.09, for a total of $624,018; and the resolution has been reported in the General Shareholders' Meeting on May 29, 2025. On February 29, 2024, the board of directors resolved to distribute 2023 earnings of $0.50 per share, for a total dividend of $68,786, which was reported to the stockholders on May 27, 2024.

   The resolution of the aforementioned earning distribution proposal in the general shareholders' meeting maybe look up on the website of the Market Observation Post System.
6. On March 3, 2026, the board of directors resolved and approved the 2025 earnings distribution plan, which plans to distribute NT$4 for per holding share, and the total dividend planned to distribute is NT$617,430.

(XXII) Operating revenue

1. Analysis of customer contracts

   All the Group's revenue comes from contracts with customers under which revenue is generated by transferring goods at a certain point of time. Revenue can be sub-divided by geographical areas as follows:

Customer by geographical areas	2025	2024
Americas	$ 12,019,421	$ 10,860,930
Asia	3,202,243	3,123,011
Other areas	184,990	208,839
	$ 15,406,654	$ 14,192,780

2. Contract liabilities

(1) The contract liabilities in relation to contracts with customers recognized by the Group are as follows:

	December 31, 2025	December 31, 2024	January 1, 2024
Consumer products	$ 19,857	$ 26,990	$ 13,400

	2025	2024
Consumer products	$ 25,945	$ 11,964

(2) Income recognized during the period from contract liabilities in the beginning of the period:

(XXIII) Other income and expenses – net

	2025	2024
Income from molds	$ 41,507	$ 57,176
Income from samples	26,909	40,394
Income from others	81,022	62,662
	$ 149,438	$ 160,232

(XXIV) Interest income

	2025	2024
Interest from bank deposits	$ 52,668	$ 67,762
Others	13,256	38,775
	$ 65,924	$ 106,537

(XXV) Other income

	2025	2024
Income from government subsidy	$ 3,008	$ 9,854
Others	33,002	25,522
	$ 36,010	$ 35,376

(XXVI) Other gains and losses

	2025	2024
Gain on disposal of property, plant and equipment	$ 2,192	$ 837
Gain on lease modification	250	-
Gain (Loss) on foreign exchange, net	(173,547)	359,164
Net gain (loss) from financial assets and liabilities at fair value through profit or loss	7,406	14,451
Gain on convertible corporate bond buyback	-	3,293
Impairment loss of property, plant and equipment	(1,402)	(19,016)
Disaster loss - Other assets	-	(1,489)
Claim income	372,481	334,738
Gain on reversal of disaster loss	-	7,690
Others	(8,390)	(883)
	198,990	698,785

(XXVII) Finance costs

	2025	2024
Interest expense		
Bank loans	$ 83,391	$ 75,691
Interest on lease liabilities	10,743	11,074
Amortization of corporate bond discount	7,927	12,976
Other finance costs	79	98
	$ 102,140	$ 99,839

(XXVIII) Additional information regarding the nature of expenses

	2025	2024
Employee benefit expenses	$ 3,295,160	$ 3,331,479
Depreciation expenses	817,933	674,637
Amortization expenses	38,398	58,462
	$ 4,151,491	$ 5,262,576

(XXIX) Employee benefit expenses

	2025	2024
Salary and wages	$ 2,694,360	$ 2,770,638
Labor and health insurance premiums	242,444	228,738
pension expenses	129,763	128,184
Remuneration to directors	13,770	11,380
Other personnel costs	214,823	192,539
	$ 3,295,160	$ 3,331,479

1. The Articles of Incorporation requires that the Company allocate no less than one percent (1%) of its annual earnings as employee compensation, and no greater than five percent (5%) of its annual earnings as remuneration for directors. However, if the Company still has an accumulated deficit, the earnings should be used to make up the loss.
2. In 2025 and 2024, the Company recognized compensation to employees in the accrued amounts equal to $47,600 and $49,749, respectively; remuneration to directors in the accrued amounts equal to $9,000 and $9,900, respectively, and the above-mentioned amounts were presented under payroll expense.

   The amounts for 2025 and 2024 were estimated based on the profitability as of the end of the respective periods, using a specific percentage.

   The employee compensation and director compensation for 2024, as resolved by the Board of Directors, are consistent with the amounts recognized in the financial statements for the year 2024. Employee compensation was paid in cash.

   Information about employee compensation and remuneration to directors and supervisors approved by the Board of Directors is available on the Market Observation Post System.

(XXX) Income tax

1. Income tax expenses

(1) Components of income tax expenses:

	2025	2024
Current income tax:		
Income tax in the current period	$ 173,800	$ 251,919
Surtax on undistributed earnings	24,940	-
Underestimation (over-) of prior year's income taxes	(14,101)	5,326
Total current income tax	184,639	257,245
Deferred income tax:		
Originating and reversed temporary differences	52,140	86,203
Income tax expense	$ 236,779	$ 343,448

(2) Income tax amount associated with other comprehensive income:

	2025	2024
Re-measurement of defined benefit obligation	$ 663	$ 1,173
	$ 663	$ 1,173

2. Relations between income tax expense and accounting profits.

	2025	2024
Income tax calculated on pre-tax net income at the statutory tax rate	$ 380,049	$ 401,674
Impact of items that cannot be recognized under statutory requirements	(151,013)	(89,730)
Deferred income tax assets not recognized due to tax losses	(3,096)	26,178
Underestimation (over-) of prior year's income taxes	(14,101)	5,326
Surtax on undistributed earnings	24,940	-
Income tax expenses	$ 236,779	$ 343,448

3. Deferred income tax assets or liabilities arising from temporary differences are stated as follows.

	2025				
	January 1	Recognized in Profit or Loss	Recognized in Other Comprehensive income	Net exchange differences	December 31
Temporary differences:					
Deferred income tax assets:					
Inventory valuation & obsolescence loss	$ 16,790	$ 8,444	$ -	($ 14)	$ 25,220
pensions	6,381	(299)	(663)	-	5,419
Difference between financial and book depreciation	23,927	34	-	49	24,010
Others	31,754	(3,017)	-	(189)	28,548
	78,852	5,162	(663)	(154)	83,197
Deferred income tax liabilities:					
Differences in recognized investment gains and losses	(320,080)	(55,706)	-	-	(375,786)
Liability of land value increment tax	(11,598)	-	-	-	(11,598)
Unrealized exchange gain	(10,073)	569	-	-	(9,504)
Others	(992)	(2,165)	-	-	(3,157)
	(342,743)	(57,302)	-	-	(400,045)
	($ 263,891)	($ 52,140)	($ 663)	($ 154)	($ 316,848)

	2024				
	January 1	Recognized in Profit or Loss	Recognized in Other Comprehensive income	Net exchange differences	December 31
Temporary differences:					
Deferred income tax assets:					
Inventory valuation & obsolescence loss	$ 9,109	$ 7,535	$ -	$ 146	$ 16,790
pensions	8,110	(556)	(1,173)	-	6,381
Difference between financial and book depreciation	27,406	(4,499)	-	1,020	23,927
Unrealized exchange loss	17,433	(17,433)	-	-	-
Others	26,952	4,393	-	409	31,754
	89,010	(10,560)	(1,173)	1,575	78,852
Deferred income tax liabilities:					
Differences in recognized investment gains and losses	(255,164)	(64,916)	-	-	(320,080)
Liability of land value increment tax	(11,598)	-	-	-	(11,598)
Unrealized exchange gain	-	(10,073)	-	-	(10,073)
Others	(338)	(654)	-	-	(992)
	(267,100)	(75,643)	-	-	(342,743)
	($ 178,090)	($ 86,203)	($ 1,173)	$ 1,575	($ 263,891)

5. The effective period of the Group's unused tax losses and the relevant amounts of unrecognized deferred income tax assets are as follows:

Subsidiary:

December 31, 2025				
Year of Occurance	Report Amount	Amount not yet deducted	unrecognized deferred income	Final year of deduction
2023	$ 209,596	$ 194,116	$ 194,116	2033
2024	123,436	123,436	123,436	2034

December 31, 2024				
Year of Occurance	Report Amount	Amount not yet deducted	unrecognized deferred income	unrecognized deferred income
2023	$ 209,596	$ 209,596	$ 209,596	2033
2024	130,891	130,891	130,891	2034

6. The profit-seeking enterprise income tax of the Company is approved by the taxation authority through 2023.

(XXXI) Earnings per share

	2025		
	After-tax amount	Weighted average number of outstanding share (in 1000 shares)	Earnings Per Share ($1)
Basic Earnings Per Share			
Net income attributable to common shares shareholders of the parent company	$ 949,453	153,526	$ 6.18
Diluted Earnings Per Share			
Net income attributable to common shares shareholders of the parent company	$ 949,453	153,526	
Effect of potentially dilutive common stocks			
Convertible corporate bond	4,591	3,772	
Covertible corporate bond-subsidiary	2,061	931	
Employee remuneration	-	782	
Profit attributable to ordinary shareholders of the parent company plus effect of potentially dilutive common stocks	$ 956,105	159,011	$ 6.01

	2024		
	After-tax amount	Weighted average number of outstanding share (in 1000 shares)	Earnings Per Share ($1)
Basic Earnings Per Share			
Net income attributable to common shares shareholders of the parent company	$ 1,042,666	138,872	$ 7.51
Diluted Earnings Per Share			
Net income attributable to common shares shareholders of the parent company	$ 1,042,666	138,872	
Effect of potentially dilutive common stocks			
Convertible corporate bond	8,767	8,766	
Covertible corporate bond-subsidiary	358	110	
Employee remuneration	-	689	
Profit attributable to ordinary shareholders of the parent company plus effect of potentially dilutive common stocks	$ 1,051,791	148,437	$ 7.09

(XXXII) Transaction with non-controlling interests

Acquisition of additional interests in subsidiary

Upon the Board of Directors' resolution on April 15, 2024, and the approval by the Taipei Exchange on September 10, 2024, the Company carried out share exchange with the Company's subsidiary, Launch Technologies Co., Ltd., pursuant to the Business Mergers and Acquisitions Act and other relevant regulations at the ratio of 1 share of Launch Technologies' common stock for 0.54 shares of Advanced International Multitech's common stock. The Company, on November 29, 2024 (the record day for conversion), issued 14,419 thousand commons shares in exchange for Launch Technologies' additional 48.35% existing shares to bring the shareholding to 100%. The carrying amount of Launch Technologies' non-controlling interests at the date of acquisition amounted to $437,755, and the transaction reduced its non-controlling interests by $437,755 and increased in equity attributable to owners of the parent company by $437,755. The effect of changes in Launch Technologies' equity on owners' equity attributable to the parent company for the year ended December 31, 2024 was as follows:

	2024
Consideration paid for non-controlling interests (new shares issued)	$ 1,057,971
Share issuance costs	3,255
Carrying amount of non-controlling interests	(437,755)
Decrease in undistributed earnings	$ 623,471

(XXXIII) Additional information regarding cash flows

1. Investing activities with partial cash payments:

	2025	2024
Acquisition of property, plant and equipment	$ 878,299	$ 1,955,574
Add: Equipment payable, beginning of period (list as Other Payable)	131,456	42,618
Less: Equipment payable, end of period (list as Other Payable)	(29,372)	(131,456)
Amount paid in cash - current period	$ 980,383	$ 1,866,736

2. Investing and financing activities that do not affect cash flows:

	2025	2024
Reclassification of equipment prepayments to property, plant, and equipment	$ 56,673	$ 152,845
Reclassification of euqipment prepayments to expenses	$ 233	$ -

(XXXIV) Changes in financing activities related liabilities

	Short-term loans	Corporate bond payable (including due within 1 year)	Long-term loans (including due within 1 year)	Lease liabilities	Total liabilities from financing activities
January 1, 2025	$ 1,681,913	$ 754,027	$ 259,134	$ 585,761	$ 3,280,835
Changes in financing cash flows	(298,145)	(605,800)	799,278	(64,238)	(168,905)
Effect of exchange rate changes	(54,243)	-	2,126	708	(51,409)
Other non-cash changes	-	(148,227)	-	79,202	(69,025)
December 31, 2025	$ 1,329,525	$ -	$ 1,060,538	$ 601,433	$ 2,991,496

	Short-term loans	Corporate bond payable (including due within 1 year)	Long-term loans (including due within 1 year)	Lease liabilities	Total liabilities from financing activities
January 1, 2024	$ 1,595,474	$ 779,694	$ 182,941	$ 574,067	$ 3,132,176
Changes in financing cash flows	17,658	(37,298)	75,135	(66,520)	(11,025)
Effect of exchange rate changes	68,781	-	-	1,546	70,327
Other non-cash changes	-	11,631	1,058	76,668	89,357
December 31, 2024	$ 1,681,913	$ 754,027	$ 259,134	$ 585,761	$ 3,280,835

VII. Related-party transactions

(I) Name and relationship of related parties

Name of related party	Relationship with the Group
Munich Composites GmbH	Associates of the Group
Technology on Prototype Ultimate Co., Ltd.	Associates of the Group
Maya Metal Technology Co., Ltd. (hereinafter "Maya Metal")	Associates of the Group
Frankson Rubber Corporation (hereinafter "Frankson Rubber")	Other related party
Ming Feng Investment Co., Ltd.	Other related party

(II) Important transactions with related parties

1. Operating Sales

	2025	2024
Merchandise sales:		
Frankson Rubber	$ 1	$ 1,046
Ming Feng Investment	492	-
Total	$ 493	$ 1,046

The transaction price and payment terms of the above merchandise sales do not have significant difference from transactions with non-related parties.

2. Purchases

	2025	2024
Procurement of Merchandises:		
Maya Metal	$ 161,286	$ 79,280
Frankson Rubber	51,395	59,411
Munich Composites GmbH	-	51
Total	$ 212,681	$ 138,742

The Group's purchase price with the related parties is negotiated by both parties with reference to market conditions, and the payment terms are not significantly different from those of non-related parties.

3. Operating expenses – R&D expenses

	2025	2024
Munich Composites GmbH	$ -	$ 670

The expenses are arising from the research and development project of the Group and related parties to jointly develop new products; the payment terms shall be handled according to the agreement between the two parties.

4. Transaction amount with related parties

	December 31, 2025	December 31, 2024
Maya Metal	$ 38,771	$ 28,509
Frankson Rubber	1,869	17,543
	40,640	46,052
Technology on Prototype Ultimate	4,833	-
	$ 45,473	$ 46,052

Payables to related parties primarily come from purchases of inventory and computer software; the payment terms are either 45 to 90 days after acceptance or as otherwise agreed upon by both parties. No interest is payable on these payables.

5. Property Transaction – Acquisition of property, plant, and equipment

	2025	2024
Acquisition of property, plant, and equipment:		
Munich Composites GmbH	$ -	$ 1,817
Acquisition of intangible assets:		
Technology on Prototype Ultimate	$ 7,250	$ -

(III) Information about remunerations paid to the major management.

	2025	2024
Salary and other employee benefits	$ 72,799	$ 53,339

VIII. Pledged assets

Assets pledged as collateral by the Group are enumerated as follows:

	Carrying Amount		
Asset Type	December 31, 2025	December 31, 2024	Purpose of the guarantee
Land	$ 125,648	$ 125,648	Short-term borrowings
Building & Structures	160,179	149,464	Short-term and long-term loans and credit facility guarantee
Pledged time deposits (Note)	8,362	8,364	Lease deposit and others
	$ 294,189	$ 283,476	

Note: Presented as "Other non-current assets - others".

IX. Significant contingent liabilities and Unrecognized contractual commitments

(I) Contingency

Please see Note X.

(II) Commitments:

1. Balance of outstanding letter of credit:

	December 31, 2025	December 31, 2024
Materials import	$ 57,931	$ 47,339

2. Capital expenditures committed but not yet to incur:

	December 31, 2025	December 31, 2024
Property, plant and equipment	$ 128,627	$ 309,858

3. Please refer to Note VI(X) for explanation on operating lease agreements.
4. The Group signed a partnership agreement with Taishin Health Investment Ltd. on August 31, 2021 to establish a limited partnership of Taishin Health. The purpose is to invest in domestic and foreign biotechnology and pharmaceutical industries with development potential. The Group promised to invest in $55,000 according to the agreement. Up until December 31, 2025, the Group has invested $37,166.

X. Significant losses from disasters

Launch Technologies incurred a major fire incident on September 22, 2023. Its Plant I has not yet applied to resume operation, and is still suspended in operation by order of the Ministry of Economic Affairs and is now cooperating with the investigation of relevant administrative and judicial government departments to clarify the cause and responsibility of the accident. The explanation is as follows:

The explanation is as follows:

(I) Due to the above-mentioned fire incident, Launch Technologies recognized a total of $1,329,360 disaster losses. A reversal gain of $7,690 was recognized due to change in estimates in 2024. Up until December 31, 2025, a total of $1,321,670 disaster losses was recognized. The details are listed as below:

Item	Amount	Explanation
Inventories	$ 252,713	Mainly are the carrying value of the fully destroyed inventories.
Property, plant and equipment	598,506	Mainly are the carrying value of the fully destroyed property, plant and equipment in Plant I.
Other assets	2,711	
Indemnification loss	467,740	1. Disaster indemnification for nearby factories and other units, residential buildings, and casualties. except for those have been settled, the amount is the best estimated amount with the evidence available as of the reporting date. Nevertheless, the actual compensation amount is yet to be negotiated, so there may be contingent liabilities that cannot be reasonably estimated and not yet be recorded. Please see Note VI(XVIII) for the estimation of provision for liabilities as of December 31, 2024. 2. Launch Technologies has allocated funding of $250,000 each on Sept. 27 and Oct. 4, 2023, for a total funding amount of $500,000, to the trust account of Launch Technologies to meet related indemnification. Up until November 6, 2024, indemnification for injuries and deaths of officers has been fully settled and charged to the trust account. On November 6, 2024, the board of directors have resolved to terminate the trust contract, and the residual amount of the special trust account is planned to use as working capital.
Total	$ 1,321,670	

(II) In connection with the aforementioned disaster-related losses to inventory and property, plant, and equipment, Launch Technologies received and recognized property insurance claim proceeds of $300,000 in 2024 and $372,481 in March 2025; the insurance company has fully settled these claims. In addition, Launch Technologies has received and recognized liability insurance claim income of $28,575 in 2024.

(III) As of December 31, 2025, Launch Technologies' unused bank loan amount totaled $968,500, and the Company will also provide necessary support to Launch Technologies. In addition, Launch Technologies, on May 24, 2024, received a letter of approval for the resumption of operation at Plant II from the Bureau of Industrial Park, Ministry of Economic Affairs, Kao-Ping Branch; Launch Technologies devoted all its efforts to the reconstruction of the plant and has resumed normal operation. Besides, Launch Technologies has signed an OEM contract with ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD. on February 20, 2024 to maintain overall operational efficiency and shareholders' equity.

(IV) On February 5, 2024, Launch Technologies received an indictment from the prosecutor of the Taiwan Pingtung District Prosecutors Office for violating the Occupational Safety and Health Act and was required to be fined with a maximum statutory penalty of NT$300,000. Launch Technologies will fully cooperate with the court's investigation and wait for the trial.

(V) Securities and Futures Investors Protection Center on October 18, 2024 filed a lawsuit for criminal and civil damages against Launch Technologies' director, An-Hao Liu, Yingcheng Lu, and Shao-Ting Cheng, for a total amount of $1,321,670. Launch Technologies will deal with the matter in accordance with the law in order to protect the legitimate rights and interests of Launch Technologies and its shareholders.

XI. Significant subsequent events

(I) On March 3, 2026, the board of directors proposed and approved the 2025 earnings distribution plan. Please refer to Note VI(XXI) for explanations.

(II) On March 2, 2026, both Launch Technologies and ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD. passed board resolutions to extend the useful lives of certain machinery and equipment from 9 years to 12 years, effective January 1, 2026, in order to reasonably reflect the future economic benefits of the assets.

XII. Others

(I) Capital management

The objective of the Group's capital management is to ensure that the Group can continue as a going concern, that an optimal capital structure is maintained to lower the cost of capital, and that rewards are provided to shareholders. To sustain or adjust the capital structure, the Group might adjust dividends paid to shareholders, refund capital to shareholders, or issue new shares or dispose of assets in order to lower its debt. The Group monitors its capital by looking at the debt-to-capital ratio, which is calculated by dividing the total debt by the total capital.

The Group's strategies employed for 2025 were the same as those for 2024, i.e., striving to strike a balance for the overall capital structure. The Group's debt-to-capital ratios as of December 31, 2025 and 2024 are stated below:

	December 31, 2025	December 31, 2024
Total liabilities	$ 6,798,611	$ 7,445,103
Total Assets	$ 14,799,545	$ 15,013,092
Ratio	46	50

(II) Financial instrument

1. Types of financial instruments

	December 31, 2025	December 31, 2024
Financial assets		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	$ 311,236	$ 304,791
Financial assets at fair value through other comprehensive income		
Election of the designated equity instrument investm	55	2,669
Financial assets measured at amortized cost		
Cash and cash equivalents	1,377,288	1,991,909
Financial assets measured at amortized cost	329,381	332,408
Notes receivable	4,121	1,846
Accounts receivable	4,006,241	3,487,095
Other receivable	23,398	23,838
Refundable deposits	39,997	45,177
	$ 6,091,717	$ 6,189,733

	December 31, 2025	December 31, 2024
Financial liabilities		
Financial liabilities at fair value through profit or loss		
Financial liabilities held for trading	$ 92	$ -
Financial liabilities at amortized cost		
Short-term loans	1,329,525	1,681,913
Notes payable	1,116	405
Accounts payable (including with related parties)	1,658,802	1,802,664
Other payable	1,344,872	1,678,004
Long-term loans (including 1-year due)	1,060,538	259,134
Corporate bond payable (including 1-year due)	-	754,027
Deposits received	629	15,673
	$ 5,395,574	$ 6,191,820
Lease liabilities (including non-current)	$ 601,433	$ 585,761

2. Risk management policy

(1) The Group’s daily operations are affected by various financial risks, e.g. market risks (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The Group’s overall risk management policy focuses on unpredictable matters on the financial markets, seeking to lower the potential adverse effects on the Group’s performance.

(2) Risk management is carried out by the Group’s finance department in compliance with relevant policies. Through close cooperation with the Group's operating units, the finance department is responsible for identifying, evaluating and hedging financial risks. With respect to the overall risk management, the Group has established principles in writing, as well as policies in writing concerning specified scope and matters, e.g. exchange risk, credit risk, utilization of derivatives and non-derivatives, and investment of residual working capital.

3. The nature and degree of significant financial risks

(1) Market risks

<u>Foreign exchange rate risk</u>

A. The Group operates across borders and is therefore subject to exchange rate risks arising from multiple currencies, mainly the US dollars, RMB and Euros. Relevant exchange rate risks come from future business transactions, recognized assets and liabilities, and net liabilities to foreign operating institutions.

B. The Group's management has established policies that require the Company to manage its exchange rate risk relative to its functional currency. Companies should hedge their overall exchange rate risks through the finance department. In order to manage exchange rate risks arising from future business transactions and recognized assets and liabilities, the Company uses forward foreign exchange contracts through the finance department. Exchange rate risk arises when recognized assets or liabilities for future business transactions are denominated in a foreign currency that is not the functional currency of the entity.

C. The Group’s business involves the use of various non-functional currencies (the Company and some subsidiaries' functional currency is NTD, whereas some subsidiaries’ functional currency is RMB), consequently, it is subject to effects arising from currency rate fluctuations. The table below shows information regarding assets and liabilities that are denominated in foreign currency and may significantly being affected by the changes in exchange rates.

	December 31, 2025		
	Foreign currency (in thousand)	Exchange rate	Carrying amount (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items:			
USD : NTD	$ 162,253	31.430	$ 5,099,612
USD : RMB	61,162	6.9909	1,922,322
Financial liabilities			
Monetary items:			
USD : NTD	61,830	31.430	1,943,317
USD : RMB	14,070	6.9909	442,220

	December 31, 2024		
	Foreign currency (in thousand)	Exchange rate	Carrying amount (NTD)
(Foreign currency: functional currency)			
Financial assetes			
Monetary items:			
USD : NTD	$ 155,228	32.785	$ 5,089,150
USD : RMB	59,700	7.3070	1,957,265
Financial liabilities			
Monetary items:			
USD : NTD	66,942	32.785	2,194,693
USD : RMB	13,442	7.3070	440,696

D. The monetary items of the Group are significantly affected by currency fluctuations; in 2025 and 2024, the Group recognized a total exchange gain (loss) of ($173,547) and $359,164, respectively.

E. The table below illustrates the Group's analysis of foreign exchange market risks resulting from significant exchange rate fluctuations:

	2025		
	Sensibility Analysis		
	Range of Fluctuaion	Effects on profit/loss	Effects on Other Comprehensive Income
(Foreign currency: functional currency)			
Financial assets			
Monetary items:			
USD : NTD	1%	$ 50,996	$ -
USD : RMB	1%	19,223	-
Financial liabilities			
Monetary items:			
USD : NTD	1%	19,433	-
USD : RMB	1%	4,422	-

	2024		
	Sensibility Analysis		
	Range of Fluctuaion	Effects on profit/loss	Effects on Other Comprehensive Income
(Foreign currency: functional currency)			
Financial assets			
Monetary items:			
USD : NTD	1%	$ 50,892	$ -
USD : RMB	1%	19,573	-
Financial liabilities			
Monetary items:			
USD : NTD	1%	21,947	-
USD : RMB	1%	4,407	-

Price risk

The Group is not exposed to price risk from products.

Interest rate risk on Cash flows and Fair value

A. The Group's interest rate risk mainly comes from the issuance of short-term and long-term loans with floating interest rates that have resulted in the exposures to cash flow interest rate risks. In 2025 and 2024, the Group's issuance of loans with floating interest rates was mainly denominated in New Taiwan Dollars, Renminbi, and US Dollars.

B. If the borrowing interest rate of NTD increases or decreases by 0.25%, holding all other variables constant, the net income after tax for the year of 2025 and 2024 will decrease or increase by $4,368 and $3,648, respectively, primarily due to changes in interest expense incurred by borrowings with floating interest rates.

(2) Credit risk

Credit risk refers to the risk of financial loss to the Group arising from default by customers or counterparties of financial instruments on the contract obligations. The internal risk control system assesses customers' credit quality by taking into account their financial position, historical experience, and other factors.

Cash and cash equivalents and financial derivatives

Required by the transaction policy adopted, the Group trades only with counterparties having good credit ratings, and so there hasn't been any default on cash and cash equivalents or financial derivatives.

Accounts receivable

A. The Group has established a specific internal credit policy, which requires entities within the Group to manage and conduct credit analysis on every new customer before stipulating the terms and conditions for payments and delivery. The internal risk control assesses customers' credit quality by taking into account their financial position, historical experience, and other factors.

B. The Group adopts the presumption that the credit risk of a financial asset is deemed significantly increased since initial recognition when contractual payments are more than 90 days past due, and that a default is deemed to have occurred when the contractual payments are more than 180 days past due.

C. The Group's accounts receivables are due from ordinary enterprises. The Group assesses the credit quality of an individual customer by type by taking into account such customer's financial position, historical transaction records, and current economic status, and estimates the expected credit losses on the basis of the provision matrix using the simplified approach.

D. After the recourse process, the Group writes off the financial asset to the extent of the recovery amount that cannot be reasonably expected;

nonetheless, the Group will keep legal recourse to secure its creditor's rights.

E. Expected credit losses ratio on the Company's accounts receivable as of December 31, 2025 and 2024 were as follows:

		Overdue						
	Not Overdue	Within 30 days	31~ 60 days	61~ 90 days	91~ 120 days	121~ 150 days	151~ 180 days	More than 180 dyas
December 31, 2025	0.00%~ 0.01%	0.04%~ 0.13%	0.04%~ 0.74%	0.09%~ 3.26%	0.42%~ 7.45%	3.89%~ 26.90%	24.30%~ 67.14%	100%
December 31, 2024	0.00%~ 0.00%	0.04%~ 0.06%	0.04%~ 0.75%	0.08%~ 2.32%	0.40%~ 5.00%	3.80%~ 17.98%	22.91%~ 46.60%	100%

The Group's balance of accounts overdue for 31 days and more as of December 31, 2025 and 2024 accounted for approximately 0.57% and 1.48% of the total amount, respectively.

F. Changes in loss allowance for notes receivable and accounts receivable using the simplified approach are stated as follow:

	2025	
	Note Receivable	Account Receivable
January 1	$ -	$ 1,450
Provision for impairment loss	-	6,468
December 31	$ -	$ 7,918

	2024	
	Note Receivable	Account Receivable
January 1	$ -	$ 1,934
Reversal of impairment loss	-	(3)
Written off due to un-collectible	-	(481)
December 31	$ -	$ 1,450

(3) Risk of liquidity

A. Cash flows forecasting is carried out by the Group's Office of Finance and Accounting in order to ensure that sufficient funds are readily available, both for the operating needs and for the unused loan commitments.

B. The Group's remaining cash in excess of its operating needs is invested in demand deposits bearing interests, time deposits, bonds sold under repurchase agreements, and marketable securities, all of which are instruments either with appropriate maturity period or with sufficient liquidity so as to satisfy the said forecasting and provide sufficient position for dispatching of funds. As of December 31, 2025 and 2024, the Group had a money market position in the amounts equal to $1,376,684 and $1,990,949, respectively.

C. The table below shows an analysis of the non-derivative financial liabilities held by the Group with defined repayment terms based on maturity dates and un-discounted payment at maturity:

	December 31, 2025		
	Less than 1 year	1 ~ 2 year	More than 2 years
Non-derivative financial liabilities			
Short-term loans	$ 1,344,381	$ -	$ -
Account payable (including related parties)	1,658,802	-	-
Other payable	1,344,872	-	-
Lease liabilities (including no-current)	64,359	42,652	648,742
Long-term loans	132,321	505,104	515,316
Derivative financial liabilities			
Forward foreign exchange contract	92		

	December 31, 2024		
	Less than 1 year	1 ~ 2 year	More than 2 years
Non-derivative financial liabilities			
Short-term loans	$ 1,714,525	$ -	$ -
Account payable (including related parties)	1,802,664	-	-
Other payable	1,678,004	-	-
Lease liabilities (including no-current)	69,427	46,530	626,247
Long-term loans	-	-	305,834
Corporate bond payable	761,600	-	-

Derivative financial liabilities: none.

On March 31, 2024, the principal amount of long-term loans due in "less than one year", "within 1 to 2 years" and "more than 2 years" was $162,715 (the total interests were $3,175), and the Group had advanced the repayment in succession in April 2024. Other than that, the Group does not expect a maturity analysis of which the cash flows timing would be significantly earlier, or the actual amount would be significantly different.

(III) About fair value

1. Below states the definition of different levels of valuation techniques used to measure the fair value of financial and non-financial instruments:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Assets or liabilities' direct or indirect observable input value, however, this does not include the quoted price as stated in Level 1. The fair value of the Group's investment in derivatives is all Level 2 inputs.

Level 3: Un-observable inputs of assets or liability. The Group's investment in privately offered fund, hybrid instruments, convertible bond's redemption rights, and equity instruments in non-active markets are all Level 3 inputs.

2. Financial instrument measured not at fair value

The carrying amount of the group's financial instruments, including cash and cash equivalents, financial assets measured at amortized cost, notes receivable, accounts receivable, other receivable, refundable deposit, short-term loan, notes payable, accounts payable, other payable, lease liabilities, long-term loans (including those due within 1 year), and guarantee deposit received, are reasonable approximation of fair value.

As of December 31, 2025: None.

		December 31, 2024		
	Carrying amount	Level I	Level II	Level III
Financial liabilities				
Corporate bond payable	$ 754,027	$ -	$ 794,947	$ -

The fair value of the above-mentioned corporate bonds is evaluated using the binominal tree-based convertible bond evaluation model.

3. For financial instruments measured at fair value, the Group carries out basic classification based on the nature of assets and liabilities, character risks and the defined level of fair value. Related information is summarized as below:

(1) Classified by nature of assets or liabilities:

December 31, 2025	Level I	Level II	Level III	Total
Assets				
Recurring fair value				
Financial assets at fair value through profit or loss				
Private equity funds	-	-	46,624	46,624
Overseas treasury bills	-	264,612	-	264,612
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	1,116	1,116
	$ -	$ 264,612	$ 47,740	$ 312,352

Liabilities				
Recurring face value				
Financial liabilities at fair value through profit or loss				
Foreign exchange forward contract	$ -	$ 92	$ -	$ 92

December 31, 2024	Level I	Level II	Level III	Total
Assets				
Recurring fair value				
Financial assets at fiar value through profit or loss				
Private equity fund	-	-	39,891	39,891
Overseas treasury bills	-	264,900	-	264,900
Financial assets at fiar value through other comprehensive income				
Equity securities	-	-	3,623	3,623
	$ -	$ 264,900	$ 43,514	$ 308,414

(2) Methods and assumptions adopted by the Group for measurement of fair value are stated as follows:

A. The fair value of equity instruments without active market transactions (such as shares of non-listed companies) is estimated using the market method, which is based on the price and other relevant information generated by the market transactions of the same or comparable company equity instruments (such as the discount factor of lacking of liquidity, or input values like stock market’s price-to-earnings ratio or price-to-book value ratio) to estimate the fair value. In addition, for equity instruments that lack sufficient or appropriate observable market information and comparable objects, the Group adopts the net asset value method to better evaluate the current profitability of the investment target.

B. The evaluation of derivative financial instruments is based on evaluation models widely accepted by market users, such as discount method and option pricing model.

C. Please refer to Note XII(III)7 for explanation of the impact of non-market observable parameters on the evaluation of financial instruments.

4. There was no transfer between Level 1 and Level 2 of the fair value hierarchy in 2025 and 2024.

5. The following table shows the Level 3 changes in 2025 and 2024.

	2025				
	Private fund	Hybrid tool	Derivatives	Equity securities	Total
January 1	$ 39,891	$ -	$ -	$ 2,669	$ 42,560
Purchase - current	16,323	-	-	-	16,323
Decrease - current	(6,463)	-	-	(2,622)	(9,085)
Profit(Loss) recognized in profit or loss					
Recorded as non-operating profit and loss	(3,127)	-	-	-	(3,127)
Gain recognized in other comprehensive income	-	-	-	8	8
December 31	$ 46,624	$ -	$ -	$ 55	$ 46,679

	2024				
	Private fund	Hybrid tool	Derivatives	Equity securities	Total
January 1	$ 27,876	$ -	$ 80	$ 3,666	$ 31,622
Purchase - current	4,105	-	-	-	4,105
Decrease - current	(4,201)	-	-	-	(4,201)
Profit(Loss) recognized in profit or loss					
Recorded as non-operating profit and loss	12,111	-	(80)	-	12,031
Loss recognized in other comprehensive income	-	-	-	(997)	(997)
December 31	$ 39,891	$ -	$ -	$ 2,669	$ 42,560

6. Valuation process regarding Level 3 fair value is conducted by the Group’s finance department, by which the independence of fair value of financial instruments is verified through the use of independent data source in order that such valuation results are close to market conditions, and that the data source is independent, reliable, consistent with other resources, and representative of the exercisable price. In addition, multiple actions are regularly taken to ensure the reasonableness of the fair value valuation, e.g., calibrating the valuation model, conducting retrospective testing, updating the inputs and data for the valuation model, and making any necessary fair value adjustments.

7. Below states the quantitative information about the significant unobservable inputs of the valuation model used in the measurements categorized within Level 3 of the fair value hierarchy, as well as the sensitivity analysis of changes in significant unobservable inputs:

	Fair value as of December 31, 2025		Valuation technique(s)	Significant unobservable inputs	Interval (weighted-average)	Relations between input value and fair value
Derivatives:						
Non-derivative equity tools:						
Venture capital company stock	$	1,116	Net asset value method	Not Applicable	Not Applicable	Not Applicable
Private fund investment		46,624	Net asset value method	Not Applicable	Not Applicable	Not Applicable
Unlisted stocks		-	Net asset value method	Not Applicable	Not Applicable	Not Applicable
Hybrid tools:						
Convertible bond contracts		-	Discounted cash flow method	Discount rate	Not Applicable	Higher the discount rate, lower the fair value

	Fair value as of December 31, 2024		Valuation technique(s)	Significant unobservable inputs	Interval (weighted-average)	Relations between input value and fair value
Derivatives:						
Options embedded in convertible bonds	$	-	Binomial tree model	Volatility	17.14%~ 37.07%	Higher the volatility higher the fair value
Non-derivative equity tools:						
Venture capital company stock		1,010	Net asset value method	Not Applicable	Not Applicable	Not Applicable
Private fund investment		39,891	Net asset value method	Not Applicable	Not Applicable	Not Applicable
Unlisted stocks		2,613	Net asset value method	Not Applicable	Not Applicable	Not Applicable
Hybrid tools:						
Convertible bond contracts		-	Discounted cash flow method	Discount rate	Not Applicable	Higher the discount rate, lower the fair value

8. The Group elects to adopt the valuation model and valuation parameters through cautious assessment. Nonetheless, using different valuation models or valuation parameters may lead to different valuation results. For financial assets categorized within Level 3 of the fair value hierarchy, changes in valuation parameters will not have a significant influence on either profit or loss or other comprehensive income.

XIII. Additional disclosures

(I) Information about significant transaction

1. Loans to Others: Please refer to Table 1.
2. Endorsements and Guarantees: None.
3. Marketable Securities Held at the End of the Period (Excluding Investment in Subsidiaries, Associates and Joint Ventures): Please refer to Table 2.
4. Purchases from and Sales to Related Parties Amounting to at Least NT$100 Million or Exceeding 20% of Paid-in Capital: Please refer to Table3.

5. Receivables from Related Parties Amounting to at Least NT$100 Million or Exceeding 20% of Paid-in Capital: Please refer to Table 4.
6. Parent-Subsidiary and Subsidiary-Subsidiary Business Relations and Significant Transactions and Amounts Thereof: Please refer to Table 5.

(II) Information about reinvestment

Name, Location, and Information on Investee Companies (Excluding Investee Companies in China): Please refer to Table 6.

(III) Information about Mainland China Investment

1. Basic Information: Please refer to Table 7.
2. Significant Transactions between the Company and Investees in Mainland China Directly or Indirectly through Entities in a Third Area: Please refer to Table 8.

XIV. Segment Information

(I) General Information

The Group is primarily engaged in the manufacturing of consumer products for prestigious brands around the world. The chief operating decision-makers conduct performance evaluation and resources allocation based on the operating profit (loss) of the Division of Consumer Products. According to the requirements as set forth in IFRS 8, the Group is a single reportable segment.

(II) Measurement of Segment Information

The Group evaluates the performance of an operating segment by examining the profit before tax of a continuing operation. Such measurement standard precludes the effects from non-recurring expenses of an operating segment. Management of interest income and expenses is not authorized to the operating segments but assigned to the Group's finance department that is responsible for the management of the status of cash.

(III) Information on Segment Profit or Loss, Assets, and Liabilities

The reportable segment information provided to the chief operating decision-makers is the financial statements prepared in accordance with the International Financial Reporting Standards (IFRSs).

(IV) Reconciliation of Segment Profit or Loss

The measurement method used for revenue reported to the chief operating decision makers is the same as that used for revenue as stated on the statement of comprehensive income. The measurement method used for total amount of assets and liabilities reported to the chief operating decision makers is the same as that used for the total amount of assets and liabilities stated on the financial statements.

(V) Information by Products and Services

Revenue from external customers is mainly derived from the manufacturing of consumer products.

(VI) Geographic Information

Geographical information for years ended December 31, 2025 and 2024 is as follows:

	2025		2024	
	Revenue	Non-Current Assets	Revenue	Non-Current Assets
The American	$ 12,019,421	$ -	$ 10,860,930	$ -
Asia	3,202,243	5,860,582	3,123,011	5,819,275
Other area	184,990	-	208,839	-
	$ 15,406,654	$ 5,860,582	$ 14,192,780	$ 5,819,275

Non-current assets comprise property, plant and equipment (PP&E), right-of-use asset, intangible assets, prepayments for business facilities, and other non-current assets, excluding refundable deposits.

(VII) Information on Major Customers

The Group's major customers for the years ended December 31, 2025 and 2024 are as follows:

	2025		2024	
	Revenue	% in Net Sales (%)	Revenue	% in Net Sales (%)
Customer 10986	$ 6,250,701	41	$ 6,541,218	46
Customer 10008	4,515,751	29	3,263,716	23
	$ 10,766,452	70	$ 9,804,934	69

(Blank Below)

Advanced International Multitech Co., Ltd. and Subsidiaries

Fund Lending to Others

January 1 to December 31, 2025

Table 1

Unit: NT$1,000
(Unless Otherwise Specified)

No.	Lender	Borrower	Account	Related Party	Highest Amount Of the Period (Note 1)	Balance at the end of the period	Actual Spending Amount	Range of Interest rate	Loan Type	Amount of Business Transactions	Reasons for the need for Short Term Financing	Allowance made for Loss	Collateral		Loan Limit for Individual Object (Note 2)	Total Loan Limit (Note 2)	Note
													Name	Value			
0	Advanced International Multitech Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH	Other Receivable - Related Parties	Yes	$ 471,450	$ 471,450	$ 471,450	2%	For short-term financing needs	$ -	As working capital	$ -	-	$ -	$ 1,600,186	$ 3,200,373	
1	Launch Technologies Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH	Other Receivable - Related Parties	Yes	94,290	94,290	94,290	2%	For business dealings	497,617		-	-	-	126,253	505,014	

Note 1: Decscription of the No. filed:
(1) Issuer: 0.
(2) Investee companies are numbered sequentially starting from the Arabic numeral 1.

Note2: (1)According to the Company's "Operating procedure for lending funds to others", the total amount of the Company's funds lent to others should not exceed 40% of the Company's net worth as shown in the latest financial statement. And the total fund lend to individual object shall not exceed 20% of the Company's net worth as shown in the latest financial statement.
(2) According to Launch Technologies's "Operating procedure for lending funds to others", the total amount of the company's funds lent to others should not exceed 40% of Launch Technologies Co. Ltd.'s net worth as shown in the latest financial statement, and the total fund lend to individual object shall not exceed 10% of Lauch Technologies Co., Ltd's net worth as shown in the latest financial statement.

Advanced International Multitech Co., Ltd. and Subsidiaries

Marketable Securities Held at the End of the Period (Excluding Investment in Subsidiaries, Associates, and Joint Ventures)

December 31, 2025

Table 2

Unit: NT$1,000

(Unless Otherwise Specified)

Investor	Type and Name of Securities	Relationship with the Issuer	General Ledger Account	End of the Period				Remark
				Number of Shares	Carrying Amount	Shareholding Ratio	Fair Value	
Advanced International Multitech Co., Ltd.	Taishin Health Limited	None	Financial assets at fair value through profit or loss - non-current	-	$ 46,624	6.04%	$ 46,624	Note
Advanced International Multitech Co., Ltd.	UBS Manage Premium - U.S. Treasury Bill Portfolio	None	Financial assets at fair value through profit or loss - current	-	264,612	-	264,612	
Advanced International Multitech Co., Ltd.	Westpac Banking Corporation Zero Coupon Callable Instruments	None	Financial assets at amortized costs - non-current	-	64,558	-	-	

Note: The shareholding ratio is calculated based on the proportion of the fund invested.

Advanced International Multitech Co., Ltd. and Subsidiaries

Purchases from and Sales to Related Parties Amounting to at least $100 Million or Exceeding 20% of the Paid-in-Capital

January 1 to December 31, 2025

Table 3

Unit: NT$1,000

(Unless Otherwise Specified)

Name of Company	Name of the Counterparty	Relationship	Transaction Details				Situation and Reason of Why Trading Conditions are Different from General Trading		Note and Account Receivable (Payable)		Remark
			Purchase/ Sales	Amount	Ratio to Total Purchase (Sales)	Loan Period	Unit Price	Loan Period	Balance	Ratio to Total Note or Account Receivable (Payable)	
Advanced International Multitech Co., Ltd.	Advanced Sporting Goods (Dongguan) Co., Ltd.	Second-tier subsidiary	Purchases	$ 5,309,778	45%	Note 1	Note 1	Note 1	($ 1,897,821)	78%	Note 2
Advanced International Multitech Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Subsidiary	Purchases	6,031,288	51%	Note 1	Note 1	Note 1	(412,835)	17%	Note 2
Launch Technologies Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Sister company	Purchases	831,233	35%	Note 3	Note 3	Note 3	(43,166)	35%	
Advanced Sporting Goods (Dongguan) Co., Ltd.	Advanced International Multitech Co., Ltd.	Ultimate parent company	Sales	(5,309,778)	100%	Note 4	Note 4	Note 4	1,897,821	100%	
ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Advanced International Multitech Co., Ltd.	Parent company	Sales	(6,031,288)	88%	Note 4	Note 4	Note 4	412,835	91%	
ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Launch Technologies Co., Ltd.	Sister company	Sales	(831,233)	12%	Note 5	Note 5	Note 5	43,166	9%	

Note 1: The prices and terms of payment of the Company's purchases from Advanced Sporting Goods (Dongguan) Co., Ltd. and ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD. were agreed by both parties and were not comparable to the general transactions as there were no transactions of similar products.

Note 2: The purchase (sales) amount comprises the sales revenue (sales of raw materials and processed goods) to its subsidiaries and sub-subsidiaries, offsetted by its operating costs (purchase of goods) arising from the related transaction. During the period from January 1 to December 31, 2025, the offset amount were $1,745,549.

Note 3:The prices and terms of payment of Launch Technologies Co., Ltd.'s purchases from ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD. were agreed by both parties and were not comparable to the general transactions as there were no transactions of similar products.

Note 4: The prices and terms of payment of the company's sales to Advanced International Multitech Co., Ltd. were agreed by both parties and were not comparable to the general transactions as there were no transactions of similar products.

Note 5: The prices and terms of payment of the company's sales to Launch Technology Co., Ltd. were agreed by both parties and were not comparable to the general transactions as there were no transactions of similar products.

Advanced International Multitech Co., Ltd. and Subsidiaries

Receivable from Related Parties Amounting to at least NT$100 Million or Exceeding 20% of the Paid-in-Capital

December 31, 2025

Table 4

Unit: NT$1,000

(Unless Otherwise Specified)

Name of Company	Name of the Counterparty	Relationship	Balance of Receivable from Related Party	Turnover Rate	Overdue Receivable from Related Party		Amount of Receivable from Related Parties received in Subsequent Period	Allowance for Doubtful Account	Remark
					Amount	Action Taken			
Advanced Sporting Goods (Dongguan) Co., Ltd.	Advanced International Multitech Co., Ltd.	Ultimate parent company	$ 1,897,821	2.27	$ -	-	$ 932,570	$ -	
ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Advanced International Multitech Co., Ltd.	Ultimate parent company	412,835	13.73	-	-	412,835	-	

Advanced International Multitech Co., Ltd. and Subsidiaries

Parent-Subsidiary and Subsidiary-Subsidiary Business Relations and Significant Transactions and Amounts Thereof

January 1 to December 31, 2025

Table 5

Unit: NT$1,000
(Unless Otherwise Specified)

No. (Note1)	Name of Company	Name of the Transaction Counterparty	Relationship with Counterparty (Note2)	Condition of Transactions			
				General Ledger Account	Amount	Transaction Terms	Ratio to Consolidated Total Revenue or Total Assets (%)
0	Advanced International Multitech Co., Ltd.	Advanced Sporting Goods (Dongguan) Co., Ltd.	1	Purchase	$ 5,309,778	Handled in accordance with the agreement between both parties	34%
0	Advanced International Multitech Co., Ltd.	Advanced Sporting Goods (Dongguan) Co., Ltd.	1	Account payable	1,897,821	Handled in accordance with the agreement between both parties	13%
0	Advanced International Multitech Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	1	Purchase	6,031,288	Handled in accordance with the agreement between both parties	39%
0	Advanced International Multitech Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	1	Account payable	412,835	Handled in accordance with the agreement between both parties	3%
0	Advanced International Multitech Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	1	Other receivable	477,659	Handled in accordance with the agreement between both parties	3%
3	Launch Technologies Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	3	Purchase	831,233	Handled in accordance with the agreement between both parties	5%
3	Launch Technologies Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	3	Account payable	43,166	Handled in accordance with the agreement between both parties	0%
3	Launch Technologies Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	3	Other receivable	95,483	Handled in accordance with the agreement between both parties	1%

Note 1: The information of transactions between the Company and the consolidated subsidiaries should be noted in "Number" colum as below:

(1) Parent company is coded "0".

(2)The subsidiaries are coded from "1" in the order presented in the table above.

Note 2: Three kinds of relationship with counterparties are as follows:

(1)Parent company to subsidiary.

(2)Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Advanced International Multitech Co., Ltd. and Subsidiaries

Name, Location, and Information on Investee Companies (Excluding Investee Companies in Mainland China)

January 1 to December 31, 2025

Table 6

Unit: NT$1,000
(Unless Otherwise Specified)

Investor	Name of Investee Company	Location	Primary Business	Initial Investment Amount		Ownership, End of the Period			Net Income (Loss) of the Investee Company	Recognized Investment Gain(Loss) for the Period	Remark
				End of the Period	End of Last Year	Number of Shares	Ownership %	Carrying Amount			
Advanced International Multitech Co., Ltd.	ADVANCED GROUP INTERNATIONAL (BVI) CO., LTD.	British Vergin Islands	Investment in other regions	$ 149,434	$ 149,434	4,584,815	100	1,481,486	$105,872	$ 105,329	Note 1
Advanced International Multitech Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Vietnam	Engaged in the production and sales of various golf club shafts and heads, and golf sets.	1,010,731	1,010,731	32,000,000	100	1,536,393	174,872	173,200	Note1
Advanced International Multitech Co., Ltd.	Launch Technologies Co., Ltd.	Taiwan	Engaged in production of sports products, other plastic products and international trade.	1,324,466	1,324,466	55,219,989	100	1,262,535	390,891	391,057	
Advanced International Multitech Co., Ltd.	Munich Composites GmbH	Germany	Engaged in design, research, development and production of carbon fiber bicycle wheels and Carbon Fiber Reinforced Polymer products.	53,077	53,077	69,003	30.53	-	-	-	Note 2
Advanced International Multitech Co., Ltd.	Technology on Prototyping Ultimate Co., Ltd.	Taiwan	System integration engineering design services for aerospace, vehicles, national defense, machinery, energy, electronics, medical, materials and process equipment.	15,600	15,600	1,200,000	21.64	18,321	1,799	55	
ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Maya Metal Technologies Co., Ltd.	Vietnam	Engaged in the OEM production of golf head, shaft, and golf sets.	22,290	22,290	750,000	30	-	(56,769)	-	

Note 1: The difference in the profit or loss of the investee for the period and the investment profit or loss recognized by the Company is the unrealized gain or loss arising from inter-company transactions.

Note 2: According to “IAS 36”, the recoverable amount of Munich Composites GmbH continuing operations is estimated to be 0. It was accessed to have none significant changes during the year.

Advanced International Multitech Co., Ltd. and Subsidiaries

Investments in Mainland China - Basic Information

January 1 to December 31, 2025

Table 7

Unit: NT$1,000
(Unless Otherwise Specified)

Name of the Investee Company in Mainland China	Primary Business	Paid-in-Capital	Method of Investment	Accumulated Investment Amount from Taiwan, Beginning of the Period	Remittance or Recovery of Investment Amount, current period		Accumulated Investment Amount from Taiwan, End of the Period	Profit or Loss of the Investee Company	Direct or Indirect Ownership of the Company (%)	Investment Gain (Loss) Recognized of the Period	Carrying Amount of the Investment, End of the Period	Investment Income Repatriated, End of the Period	Remark
					Remittance	Recovery							
Advanced Group International (BVI) Co.,Ltd.：Advanced Sporting Goods (Dongguan) Co., Ltd.	Engaged in the production and sales of carbon fiber prepreg materials and sports products	$ 149,446	2	$ 149,434	$ -	$ -	$ 149,434	$ 105,873	100	$ 105,873	$ 1,482,750	$ 948,328	Note 1, Note 2
Advanced Sporting Goods (Dongguan) Co., Ltd.: Baoji Zatech Material Co., Ltd.	Engaged in the production of materials	17,796	3	-	-	-	-	1,983	25	495	3,414	-	Note 1, Note 3, Note 4, Note 5

Note 1: Investment methods are classified into the following four methods:

1. Remittance to Mainland China through a third region
2. Investment in Mainland China company through company invested and established in a third region
3. Investment in Mainland China company through reinvestment in an existing company in a third company
4. Through other methods

Note 2: Investment gain or loss recognized in accordance with the financial statements reviewed by the parent company in Taiwan.

Note 3: Investment gain or loss recognized in accordance with the investee company's self-compiled financial statements.

Note 4: The amount of paid-in-capital is converted based on the RMB4,000 thousand at exchange rate of 4.449.

Note 5: It is an investment directly made by the Company's 2nd tier subsidiary, Advanced Sporting Goods (Dongguan) Co., Ltd., and the Company did not make actual remittance for the investment.

Name of the Company	Accumulated investment amount remitted to China from Taiwan, end of the period	Investment amount approved by the MOEAIC	Upper limit on investment authorized by the MOEAIC
Advanced International Multitech Co., Ltd. (Note 6, Note 7, Note 8)	$ 149,434	$ 143,855	$ 4,800,560

Note 6: Accumulated outward remittance from Taiwan to Mainland China at the end of the period of US$4,577 thousand is translated at the spot exchange rates at the time of the remittance.

Note 7: The approved investment amount of US$4,577 thousand by the Investment Commission of the Ministry of Economic Affairs (MOEAIC) is translated using the USD exchange rate of 31.43 at the balance sheet date.

Note 8: According to the quota stipulated in Correspondance Jing-Shen-Zi-Di-No.09704604680 issued by the Ministry of Economic Affairs on August 29, 2008.

Advanced International Multitech Co., Ltd. and Subsidiaries

Investment in Mainland China - Significant Transactions between the Company and Investee Companies in Mainland China Directly or Indirectly through Entities in a Third Region

January 1 to December 31, 2025

Table 8

Unit: NT$1,000
(Unless Otherwise Specified)

Name of Investee Company in Mainland China	Purchase (Sales)		Property Transaction		Account Receivable (Payable)		Endorsement, Guarantee or Collateral Provided		Financing				Others
	Amount	%	Amount	%	Balance	%	Balance, end of the period	Purpose	Highest Balance	Balance, end of the period	Range of Interest Rates	Interest Rate, current period	
Advanced Sporting Goods (Dongguan) Co., Ltd.	($ 5,309,778)	45%	$ -	-	($ 1,897,821)	78%	$ -	-	$ -	$ -	-	$ -	Note

Note: The purchase (sales) amount comprises the sales revenue (sales of raw materials and work-in-progress) offsetted by operating costs (purchase of goods) arising from related processing of the Company's sales to Advanced Sporting Goods (Dongguan) Co., Ltd. The offset amount during the period from January 1 to December 31, 2025 was $977,903.