

The English version is the translated version, without an accountant's review or verification.

Advanced International Multitech Co., Ltd. and Subsidiaries
Consolidated Financial Statements and Independent Auditors' Review Report
For the Six Months Ended June 30, 2026 and 2025
(Stock Code: 8938)

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

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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 Six Months Ended June 30, 2026 and 2025

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Independent Auditor's Review Report

(2026)Cai-Shen-Bao-Zi-No.26001180

To Advanced International Multitech Co., Ltd.

Introduction

We have reviewed Advanced International Multitech Co., Ltd. and Subsidiaries' ("the Group" hereinafter) consolidated balance sheets ended June 30, 2026 and 2025, consolidated statements of comprehensive income from April 1 to June 30, 2026 and 2025 and from January 1 to June 30, 2026 and 2025, the consolidated statements of changes in equity, consolidated statements of cash flows from January 1 to June 30, 2026 and 2025, and the notes to the consolidated financial statements (including the summary of significant accounting policies) have been reviewed by the auditor. It is the management's responsibility to prepare a set of fairly presented financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 Interim Financial Reporting as endorsed by the Financial Supervisory Commission (FSC). Our responsibility is to provide a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the paragraph titled "Basis for Qualified Conclusion", we conducted our reviews in accordance with the Standards on Review Engagement 2410, "Review of Financial Information Performed by the Independent Auditors of the Entity" of the Republic of China on Taiwan. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As explained in Note VI(VIII), the amounts stated in financial statements of the investments accounted for using the equity method and their related information disclosed in Note XIII of the consolidated financial statements were from such investments' self-prepared financial statements and have not been reviewed by the independent auditor. As of June 30, 2026 and 2025, the investments amount under the equity method were NT\$21,133 thousand and \$20,119 thousand, respectively, which both accounted for 0.16% of the respective year's consolidated total assets. For the three-month periods from April 1 to June 30, 2026 and 2025 and for the six-month period from January 1 to June 30, 2026 and 2025, the share of profit or loss and other comprehensive income and loss from of associates and joint ventures accounted for using the equity method and from joint ventures were NT\$(209) thousand, NT\$74 thousand, NT\$(753) thousand, and NT\$(753) thousand, respectively, which accounted for (1.62%), (0.01%), (0.26%), and (1.33%) of the consolidated comprehensive income respectively.

Qualified Conclusion

Based on our reviews, except for possible effects from financial statements of the investments accounted for using the equity method mentioned in the paragraph titled "Basis for Qualified Conclusion" if they were reviewed by

independent auditors, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects the consolidated financial position of Advanced International Multitech Co., Ltd. and its subsidiaries as of June 30, 2026 and 2025, and its consolidated financial performance for the three-month periods from April 1 to June 30, 2026 and 2025 and six-month periods from January 1 to June 30, 2026 and 2025, as well as its consolidated cash flows for the six-month period ended June 30, 2026 and 2025, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

PwC Taiwan

Chun-Kai Wang (with stamp and signature)

CPA

A-Shen Liao (with stamp and signature)

Financial Supervisory Commission, R.O.C. (Taiwan)

Approval No.: Jin Guan Zheng Shen Zi No. 1110349013

Jin Guan Zheng Shen Zi No. 1010015969

August 4, 2026

Advanced International Multitech Co., Ltd. and Subsidiaries

Consolidated Balance Sheet

June 30, 2026, December 31 and June 30, 2025

Unit: NT\$1,000

			Jun 30, 2026		December 31, 2025		Jun 30, 2025	
Assets		Notes	Amount	%	Amount	%	Amount	%
Current Assets								
1100	Cash and cash equivalents	VI(I)	\$ 1,957,030	15	\$ 1,377,288	10	\$ 2,050,728	16
1110	Financial assets at fair value through profit/loss-current	VI(II)	271,199	2	264,612	2	241,651	2
1136	Financial assets at amortized cost-current	VI(III)	331,419	3	264,823	2	236,448	2
1150	Notes receivable-net	VI(IV)	4,490	-	4,121	-	2,386	-
1170	Accounts receivable-net	V&VI(IV)	2,373,809	19	4,006,241	27	2,228,707	18
1200	Other receivable		11,630	-	23,398	-	24,524	-
1220	Income tax asset-current		589	-	8,380	-	1,152	-
130X	Inventories	V&VI(V)	1,923,404	15	2,548,288	17	1,816,414	14
1410	Prepayments	VI(VII)	149,371	1	164,654	1	158,003	1
1470	Other current assets		28,753	-	20,992	-	34,224	-
11XX	Total current assets		7,051,694	55	8,682,797	59	6,794,237	53
Non-current assets								
1510	Financial assets at fair value through profit/loss-non-current	VI(II)	47,571	-	46,624	-	41,175	-
1517	Financial assets at fair value through other comprehensive income-non-current	VI(VI)	55	-	55	-	55	-
1535	Financial assets at amortized costs – non-current	VI(III)	65,174	1	64,558	1	60,405	1
1550	Investments accounted for using equity method	VI(VIII)	21,133	-	21,735	-	20,119	-
1600	Property, plant, and equipment	VI(IX)&VIII	4,846,462	38	4,974,952	34	4,649,457	36
1755	Right-of-use assets	VI(X)	625,792	5	763,752	5	774,118	6
1780	Intangible assets	VI(XI)	37,600	-	38,525	-	26,820	-
1840	Deferred income tax assets		81,438	1	83,197	1	102,478	1
1915	Prepayments for business facilities		41,437	-	65,857	-	310,450	2
1990	Other non-current assets-others	VIII	53,870	-	57,493	-	68,675	1
15XX	Total non-current assets		5,820,532	45	6,116,748	41	6,053,752	47
1XXX	Total assets		\$ 12,872,226	100	\$ 14,799,545	100	\$ 12,847,989	100

(Continue to next page)

Advanced International Multitech Co., Ltd. and Subsidiaries

Consolidated Balance Sheet

June 30, 2026, December 31 and June 30, 2025

Unit: NT\$1,000

Liabilities & Equities			June 30, 2026		December 31, 2025		June 30, 2025	
			Amount	%	Amount	%	Amount	%
Current liabilities								
2100	Short-term liabilities	VI(XII)&VIII	\$ 799,232	6	\$ 1,329,525	9	\$ 913,986	7
2120	Financial liabilities at fair value through profit/loss - current	VI(II)	-	-	92	-	-	-
2150	Notes payable		1,885	-	1,116	-	1,886	-
2170	Accounts payable		1,077,927	9	1,618,162	11	1,029,203	8
2180	Accounts payable-related parties	VII	31,436	-	40,640	-	38,452	-
2200	Other payable	VI(XIII)&VII	1,102,974	9	1,344,872	9	1,138,684	9
2230	Income tax liabilities-current		161,562	1	205,581	1	173,717	1
2250	Provision for liabilities-current	VI(XVIII)	40,877	-	40,877	-	40,877	-
2280	Lease liabilities-current		40,825	-	53,528	-	62,957	1
2320	Long-term liabilities due within 1 year/1 business cycle	VI(XV)(XVI)&VIII	126,811	1	104,348	1	653,500	5
2399	Other current liabilities – others	VI(XIV)(XXII)	96,257	1	63,693	1	71,847	1
21XX	Total current liabilities		3,479,786	27	4,802,434	32	4,125,109	32
Not-current liabilities								
2540	Long-term loans	VI(XVI)&VIII	843,105	7	956,190	7	607,541	5
2560	Income tax liabilities-non-current		44,846	-	64,313	-	30,574	-
2570	Deferred income tax liabilities		388,241	3	400,045	3	342,987	3
2580	Lease liabilities-non-current		413,611	3	547,905	4	559,464	4
2640	Net defined benefit liabilities-non-current		27,098	-	27,095	-	31,904	-
2670	Other non-current liabilities-others		610	-	629	-	573	-
25XX	Total non-current liabilities		1,717,511	13	1,996,177	14	1,573,043	12
2XXX	Total liabilities		5,197,297	40	6,798,611	46	5,698,152	44
Equities								
Equity attributable to shareholders of the parent company								
	Share capital	VI(XIX)						
3110	Capital of common shares		1,569,865	12	1,569,865	11	1,568,915	12
	Capital surplus	VI(XX)						
3200	Capital surplus		2,201,860	18	2,201,860	14	2,196,610	17
	Retained earnings	VI(XXI)						
3310	Legal reserve		1,432,801	11	1,337,928	9	1,337,928	10
3320	Special reserve		52,613	-	5,346	-	5,346	-
3350	Undistributed earnings		2,587,078	20	3,139,468	21	2,520,453	20
	Other equities							
3400	Other equities		31,632	-	(52,613)	-	(278,495)	(2)
3500	Treasury stocks		(200,920)	(1)	(200,920)	(1)	(200,920)	(1)
31XX	Total equity attributable to shareholders of the parent company		7,674,929	60	8,000,934	54	7,149,837	56
3XXX	Total equities		7,674,929	60	8,000,934	54	7,149,837	56
	Significant contingent liabilities and Unrecognized contractual commitment	IX						
3X2X	Total liabilities and equities		\$ 12,872,226	100	\$ 14,799,545	100	\$ 12,847,989	100

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: I-Miao Kuo

Advanced International Multitech Co., Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income

January 1 to June 30, 2026 and 2025

Unit: NT\$1,000
(Except for Earnings Per Share Presented in NT\$1)

Item	Notes	April 1 to June 30, 2026		April 1 to June 30, 2025		January 1 to June 30, 2026		January 1 to June 30, 2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4000 Operating revenue	VI(XXII)&VII	\$ 3,186,133	100	\$ 3,331,713	100	\$ 7,287,585	100	\$ 7,883,297	100
5000 Operating costs	VI(V)(XI)(XXVIII)(XXIX)&VII	(2,811,567)	(88)	(2,917,269)	(88)	(6,344,719)	(87)	(6,714,376)	(85)
5900 Gross operating profits		<u>374,566</u>	<u>12</u>	<u>414,444</u>	<u>12</u>	<u>942,866</u>	<u>13</u>	<u>1,168,921</u>	<u>15</u>
Operating expenses	VI(XI)(XXVIII)(XXIX)								
6100 Marketing expenses		(51,147)	(2)	(51,802)	(2)	(103,444)	(2)	(120,483)	(2)
6200 Administrative expenses		(158,156)	(5)	(139,852)	(4)	(315,103)	(4)	(323,293)	(4)
6300 Research and development expenses		(181,032)	(6)	(175,548)	(5)	(358,032)	(5)	(363,669)	(5)
6450 Expected credit impairment gain(loss)	XII(II)	(755)	-	288	-	(15,860)	-	(5,703)	-
6000 Total operating expenses		(393,090)	(13)	(366,914)	(11)	(792,439)	(11)	(813,148)	(11)
6500 Other income and expenses-net	VI(XXIII)	<u>30,336</u>	<u>1</u>	<u>26,927</u>	<u>1</u>	<u>67,848</u>	<u>1</u>	<u>77,900</u>	<u>1</u>
6900 Operating income		<u>13,812</u>	<u>-</u>	<u>74,457</u>	<u>2</u>	<u>218,275</u>	<u>3</u>	<u>433,673</u>	<u>5</u>
Non-operating income and expenses									
7100 Interest income	VI(XXIV)	15,194	1	17,241	1	27,318	-	31,471	1
7010 Other income	VI(XXV)	7,527	-	9,078	-	12,262	-	12,415	-
7020 Other gains and losses	VI(II)(XXVI)&X	(14,727)	-	(459,594)	(14)	31,547	1	(25,573)	-
7050 Finance costs	VI(X)(XXVII)	(19,682)	(1)	(25,330)	(1)	(41,195)	(1)	(53,215)	(1)
7060 Share of the profit(loss) of associates and joint ventures accounted for using equity method	VI(VIII)	(209)	-	74	-	(753)	-	(753)	-
7000 Total non-operating income and expenses		(11,897)	-	(458,531)	(14)	29,179	-	(35,655)	-
7900 Net income(loss) before tax		1,915	-	(384,074)	(12)	247,454	3	398,018	5
7950 Income tax gain(expenses)	VI(XXX)	<u>657</u>	<u>-</u>	<u>54,870</u>	<u>2</u>	(40,274)	-	(64,924)	(1)
8200 Net income(loss) after tax		<u>\$ 2,572</u>	<u>-</u>	<u>(\$ 329,204)</u>	<u>(10)</u>	<u>\$ 207,180</u>	<u>3</u>	<u>\$ 333,094</u>	<u>4</u>
Other comprehensive income									
Items not to be re-classified to profit/loss									
8316 Unrealized gain/loss on equity investment measured at fair value through other comprehensive profit/loss	VI(VI)	\$ -	-	\$ 4	-	\$ -	-	\$ 4	-
Items may be re-classified subsequently to profit/loss									
8361 Exchange differences on translation of foreign financial statements		<u>10,297</u>	<u>-</u>	(321,853)	(10)	<u>84,245</u>	<u>1</u>	(276,536)	(3)
8300 Other comprehensive income and loss (net)		<u>\$ 10,297</u>	<u>-</u>	<u>(\$ 321,849)</u>	<u>(10)</u>	<u>\$ 84,245</u>	<u>1</u>	<u>(\$ 276,532)</u>	<u>(3)</u>
8500 Total comprehensive income/loss		<u>\$ 12,869</u>	<u>-</u>	<u>(\$ 651,053)</u>	<u>(20)</u>	<u>\$ 291,425</u>	<u>4</u>	<u>\$ 56,561</u>	<u>1</u>
Net income (loss) attributable to:									
8610 Shareholders of the parent company		<u>\$ 2,572</u>	<u>-</u>	<u>(\$ 329,304)</u>	<u>(10)</u>	<u>\$ 207,180</u>	<u>3</u>	<u>\$ 333,094</u>	<u>4</u>
Total comprehensive income(loss) attributable to:									
8710 Shareholders of the parent company		<u>\$ 12,869</u>	<u>-</u>	<u>(\$ 651,053)</u>	<u>(20)</u>	<u>\$ 291,425</u>	<u>4</u>	<u>\$ 56,562</u>	<u>1</u>
Earnings (Loss) per share	VI(XXXI)								
9750 Basic		<u>\$ 0.02</u>		<u>(\$ 2.15)</u>		<u>\$ 1.34</u>		<u>\$ 2.18</u>	
9850 Diluted		<u>\$ 0.02</u>		<u>(\$ 2.15)</u>		<u>\$ 1.34</u>		<u>\$ 2.10</u>	

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: I-Miao Kuo

Advanced International Multitech Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to June 30, 2026 and 2025

Unit: NT\$1,000

		Equity Attributable to Shareholders of the Parent Company											
		Capital Surplus				Retained Earnings			Other Equities				
		Common Share Capital	Share Premium	Changes in Ownership interest in Subsidiaries	Stock Option	Others	Legal Reserve	Special Reserve	Undistributed Earnings	Exchange differences on translation of foreign financial statements	Unrealized gain/loss on financial assets measured at fair value through other comprehensive income	Treasury Stock	Total Equities
Note													
<u>January 1 to June 30, 2025</u>													
	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
	Net Income - current	-	-	-	-	-	-	-	333,094	-	-	-	333,094
	Other Comprehensive Income -current	-	-	-	-	-	-	-	-	(276,536)	4	-	(276,532)
	Total Comprehensive Income - current	-	-	-	-	-	-	-	333,094	(276,536)	4	-	56,562
	2024 Earnings Distribution & Allocation: VI(XXI)												
	Allocation of legal reserve	-	-	-	-	-	42,388	-	(42,388)	-	-	-	-
	Reversal of special reserve	-	-	-	-	-	-	(117,849)	117,849	-	-	-	-
	Common stock cash dividends	-	-	-	-	-	-	-	(624,018)	-	-	-	(624,018)
	Conversion of corporate convertible bonds VI(XV)(XIX)	22,579	136,462	-	(9,737)	-	-	-	-	-	-	-	149,304
	Disposal of equity investments measured at fair value through other comprehensive income	-	-	-	-	-	-	-	(3,382)	-	3,382	-	-
	Balance as of June 30, 2025	\$ 1,568,915	\$ 1,997,756	\$ 134,103	\$ 29,515	\$ 35,236	\$ 1,337,928	\$ 5,346	\$ 2,520,453	(\$ 278,495)	\$ -	(\$ 200,920)	\$ 7,149,837
<u>January 1 to June 30, 2026</u>													
	Balance as of January 1, 2026	\$ 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
	Net Income - current	-	-	-	-	-	-	-	207,180	-	-	-	207,180
	Other Comprehensive Income -current	-	-	-	-	-	-	-	-	84,245	-	-	84,245
	Total Comprehensive Income - current	-	-	-	-	-	-	-	207,180	84,245	-	-	291,425
	2025 Earnings Distribution & Allocation: VI(XXI)												
	Allocation of legal reserve	-	-	-	-	-	94,873	-	(94,873)	-	-	-	-
	Allocation of special reserve	-	-	-	-	-	-	47,267	(47,267)	-	-	-	-
	Common stock cash dividends	-	-	-	-	-	-	-	(617,430)	-	-	-	(617,430)
	Balance as of June 30, 2026	\$ 1,569,865	\$ 2,003,409	\$ 134,103	\$ -	\$ 64,348	\$ 1,432,801	\$ 52,613	\$ 2,587,078	\$ 31,632	\$ -	(\$ 200,920)	\$ 7,674,929

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: I-Miao Kuo

Advanced International Multitech Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to June 30, 2026 and 2025

Unit: NT\$1,000

	Notes	January 1 to June 30, 2026	January 1 to June 30, 2025
<u>Cash flows from operating activities</u>			
Net income before tax		\$ 247,454	\$ 398,018
Adjustments			
Income and expenses items			
Depreciation expenses	VI(IX)(X)(XXVIII)	406,145	402,975
Amortization expenses	VI(XXVIII)	16,353	20,102
Expected credit impairment loss (gain)	XII(II)	15,860	5,703
Net loss (gain) of financial assets and liabilities at fair value through profit/loss	VI(II)(XXVI)	1,347 (	8,809)
Interest expenses	VI(XXVII)	41,177	53,167
Interest income	VI(XXIV)	(27,318) (	31,471)
Share of profit (loss) of associates and joint ventures accounted for using equity method	VI(VIII)	753	753
Gain on disposal of property, plant, and equipment	VI(XXVI)	(5,539) (	1,020)
Gain on lease modifications	VI(X)(XXVI)	(12,916)	-
Loss (gain) on convertible bonds buyback	VI(XXVI)	-	324
Changes in operating activities related assets/liabilities			
Net changes in operating activities related assets			
Notes receivable		(369) (	540)
Accounts receivable		1,687,765	1,064,152
Other receivable		11,772	3,073
Inventories		658,705	720,236
Prepayments		19,290	36,052
Other current assets		(7,664) (	9,838)
Net changes in operating activities related liabilities			
Notes payable		769	1,481
Accounts payable		(576,231) (	594,153)
Accounts payable – related parties		(9,664) (	8,061)
Other payable		(275,088) (	366,595)
Provision for liabilities	VI(XVIII)	-	(34)
Other current liabilities - others		32,434	3,402
Net defined benefits liabilities – non-current		3	(4)
Cash inflow arising from operating activities		2,225,038	1,688,913
Income tax paid		(105,941) (	65,393)
Net cash inflow from operating activities		2,119,097	1,623,520

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Advanced International Multitech Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to June 30, 2026 and 2025

Unit: NT\$1,000

	<u>Notes</u>	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
<u>Cash flows from investing activities</u>			
Acquisition of financial assets at fair value through profit or loss – non-current		(\$ 6,559)	(\$ 1,215)
Disposal of financial assets at fair value through profit or loss – non-current		-	3,406
Financial asset at amortized costs – increase in current		(66,596)	28,123
Financial asset at amortized costs – increase in non-current		(616)	7,432
Acquisition of property, plant, and equipment	VI(XXXII)	(138,966)	(406,138)
Increase in prepayment for business facilities		(25,737)	(323,099)
Proceeds from disposal of property, plant, equipment		9,331	13,409
Acquisition of intangible assets	VI(XI)	(5,413)	(13,860)
Increase in refundable deposits		(4,077)	(202)
Decrease in refundable deposits		4,878	-
Other non-current assets- increase in others		(2,214)	(2,000)
Interest received		27,318	31,471
Net cash outflow from investing activities		(208,651)	(662,673)
<u>Cash flows from financing activities</u>			
Increase in short-term loans	VI(XXXIII)	3,167,304	3,989,702
Decrease in short-term loans	VI(XXXIII)	(3,713,657)	(4,642,366)
Increase in long-term loans	VI(XXXIII)	141,928	454,998
Decrease in long-term loans	VI(XXXIII)	(241,977)	-
Repayment of the principal amount of leases	VI(XXXIII)	(29,040)	(31,637)
Increase in deposits received		(46)	(15,044)
Interest paid		(35,827)	(41,936)
Cash dividend distributed	VI(XXI)	(617,430)	(624,018)
Net cash outflows from financing activities		(1,328,745)	(910,301)
Effect of exchange rate changes on cash and cash equivalents		(1,959)	8,273
Increase in cash and cash equivalents		579,742	58,819
Cash and cash equivalents, beginning of the period		1,377,288	1,991,909
Cash and cash equivalents, end of the period		\$ 1,957,030	\$ 2,050,728

The accompanying Notes to the Consolidated Financial Statement are an integral part of the consolidated financial statement. Please refer to them as well.

Chairman: Hsi-Chien Cheng

Manager: I-Nan Chou

Accounting Manager: I-Miao Kuo

Advanced International Multitech Co., Ltd. and Subsidiaries

Notes to the Consolidated Financial Statements

For the Six Months Ended June 30, 2026 and 2025

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 January 1988. 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 August 4, 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	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. Please see Note VI(VI) for related disclosures.

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

The table below lists the newly issued, amended, and revised accounting standards and interpretations under International Financial Reporting Standards (IFRS) approved by the Financial Supervisory Commission (FSC) and effective in 2027.

New/Revised/Amended Standards and Interpretations	Effective date issued by the International Accounting Standards Board (IASB)
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note1)
IFRS 19 "Subsidiaries Without Public Accountability: Disclosures"	January 1, 2027
Amendments to IAS 21 "Translation of a Hyperinflationary Foreign Operation"	January 1, 2027
Amendments to IAS 28 "Fair value option for investments in associates and joint ventures"	January 1, 2027 (Note2)

Note 1: Entities shall apply International Financial Reporting Standard 18 (hereinafter referred to as "IFRS 18") on or after January 1, 2028, and may elect to apply it early.

Note 2: Entities should apply this Standard concurrently with IFRS 18.

Except for the potential impact of the standards described below, which remains to be assessed, the Group has determined that the aforementioned standards and interpretations have no material impact on the Group's financial position and financial performance.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS18 "Presentation and Disclosure in Financial Statements" has replaced IAS 1, updated the structure of the consolidated statement of comprehensive income, introduced new disclosures regarding management performance measures, and strengthened the principles governing aggregation and segmentation applied to the primary financial statements and notes.

(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 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	Yet to be determined by the IASB
IFRS 20 "Regulatory Assets and Regulatory Liabilities"	January 1, 2029

The Group has assessed that the aforementioned standards and interpretations have no material impact on the Group's financial position and financial performance.

IV. Summary of Significant Accounting Policies

Among the significant accounting policies, except for the statement of compliance basis of preparation, basis of consolidation and additions, which are stated below, the rests are the same as Note IV of the consolidated financial statements for the year ended December 31, 2025. Unless otherwise specified, the policies shall be applicable to all reporting periods presented.

(I) Statement of Compliance

- 1.The consolidated financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", and the IAS 34 "Interim Financial Reporting" endorsed by the FSC.
- 2.These consolidated financial statements shall be read together with the consolidated financial statements for the year ended December 31, 2025.

(II) Basis of Preparation

- 1.Except for the following significant items, the consolidated financial statements have been prepared under the historical cost convention:
 - (1)Financial assets and liabilities (including derivative instruments) at fair value through profit or loss.
 - (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 the FSC endorsed version of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations, and SIC Interpretations (collectively referred to as "IFRSs"). 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

The principles followed in preparing the consolidated financial statements are the same as those for the year ended December 31, 2025.

2.Subsidiaries included in the consolidated financial statements:

Investor	Subsidiary	Main Business Activities	Ownership (%)			Note
			2026 June 30	2025 December 31	2025 June 30	
Advanced International Multitech Co., Ltd.	Advanced Group International (BVI) Co., Ltd.	Overseas investment	100	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	100	
Advanced International Multitech Co., Ltd.	Launch Technologies Co., Ltd. (hereinafter referred to as "Launch Technologies")	Engaged in the production of sports products, other plastic products and international trade	100	100	100	
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	100	

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)Employee benefit

The pension cost for the interim period is calculated on the basis of the pension cost rate from the beginning of the year to the end of the current period using the pension cost rate determined by actuarial calculation at the end of the previous financial year. If there are major market changes, major reductions, liquidations or other major one-time events after the closing date, adjustments will be made, and relevant information will be disclosed in accordance with the aforementioned policies

(V)Income tax

Income tax expense in the interim is computed by applying the estimated average effective tax rate in the annual term to the pre-tax profit or loss in the interim and is disclosed in accordance with the aforementioned policies.

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)Major accounting estimates and assumptions

1. Expected credit loss of account receivable

A loss allowance for uncollectible Accounts Receivable 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 June 30, 2026, the carrying amount of the Group's Accounts Receivable was \$2,373,809.

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 June 30, 2026, the carrying amount of the Group's inventory was \$1,923,404.

(III) Reasons for and impact of changes in accounting estimates

At the end of each fiscal year, the Group reviews the residual values, useful lives, and depreciation methods for each asset. If the expected values of the residual value and useful life differ from previous estimates, or if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the assets, the matter shall be accounted for in accordance with the provisions on changes in accounting estimates in International Accounting Standard No. 8, “Accounting Policies, Changes in Accounting Estimates, and Errors”, effective from the date of the change.

After considering relevant data such as the actual usage patterns and maintenances status of certain machines and taking into account information provided by equipment suppliers regarding the useful lives of similar assets, it was determined that there is a discrepancy between the actual economic useful lives of certain machinery and equipment and the currently adopted useful lives. Therefore, effective January 1, 2026, the useful lives of certain machinery and equipment has extended from 9 years to 12 years to reasonable reflect the future economic benefits of these assets.

The estimated changes to this change are expected to have the following impact on depreciation expense for 2026.

	January 1 to June 30, 2026	2026	2027	2028	Subsequent years
Depreciation expenses					
(decrease) increase by	(\$ 21,604)	(\$ 42,808)	(\$ 39,751)	(\$ 35,407)	\$ 117,966

VI. Description of Major Accounting Subjects

(I) Cash and Cash equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand and revolving funds	\$ 1,209	\$ 605	\$ 951
Checking deposits and demand deposits	963,017	968,197	1,690,422
Cash equivalents – time deposits	897,254	408,486	7,755
Cash equivalents – repo bonds	95,550	-	351,600
	<u>\$ 1,957,030</u>	<u>\$ 1,377,288</u>	<u>\$ 2,050,728</u>

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 pretty low.
2. The above-mentioned time deposit may be classified by characteristics into cash equivalents, If the duration is no more than three months and is not pledged.

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

Item	June 30, 2026	December 31, 2025	June 30, 2025
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Overseas treasury bills	\$ 254,990	\$ 251,410	\$ 233,737
Convertible bond contracts	7,396	7,396	7,396
Valuation adjustments	8,813	5,806	518
	<u>\$ 271,199</u>	<u>\$ 264,612</u>	<u>\$ 241,651</u>

Item	June 30, 2026	December 31, 2025	June 30, 2025
Non-Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Privately offered funds	\$ 43,725	\$ 37,166	\$ 25,077
Valuation adjustments	3,846	9,458	16,098
	<u>\$ 47,571</u>	<u>\$ 46,624</u>	<u>\$ 41,175</u>
Current items:			
Financial liabilities held for trade			
Non-hedge derivatives	\$ -	\$ 92	\$ -

1. Financial assets and liabilities measured at FVTPL recognized in profit or loss are detailed as below:

	April 1 to June 30, 2026	April 1 to June 30, 2025
Financial assets mandatorily measured at fair value through profit or loss		
Overseas treasury bills	\$ 1,585	\$ 2,403
Privately offered funds	(112)	5,502
Financial liabilities held for trade		
Non-hedging financial derivatives	904	-
	<u>\$ 2,377</u>	<u>\$ 7,905</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Financial assets mandatorily measured at fair value through profit or loss		
Overseas treasury bills	\$ 3,007	\$ 5,334
Privately offered funds	(5,612)	3,475
Financial liabilities held for trade		
Non-hedging financial derivatives	1,258	-
	<u>(\$ 1,347)</u>	<u>\$ 8,809</u>

2. For information on the credit risk of financial assets at FVTPL, please refer to Note XII (II).

(III) Financial assets measured at amortized cost

Item	June 30, 2026	December 31, 2025	June 30, 2025
Current items:			
Time deposit maturing in 3 months or more	<u>\$ 331,419</u>	<u>\$ 264,823</u>	<u>\$ 236,448</u>
Non-Current items:			
Redeemable international bonds	<u>\$ 65,174</u>	<u>\$ 64,558</u>	<u>\$ 60,405</u>

1. As of June 30, 2026, December 31, 2025, and June 30, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the 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 measured at cost after amortization. Financial institutions that work with the Group have good credit quality, and the possibility of default is expected to be very low.

(IV) Note receivable and account receivable

	June 30, 2026	December 31, 2025	June 30, 2025
Note Receivable	\$ 4,490	\$ 4,121	\$ 2,386
Account Receivable	\$ 2,397,587	\$ 4,014,159	\$ 2,235,860
Less: Loss Allowance	(23,778)	(7,918)	(7,153)
	<u>\$ 2,373,809</u>	<u>\$ 4,006,241</u>	<u>\$ 2,228,707</u>

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

	June 30, 2026		December 31, 2025		June 30, 2025	
	Note Receivable	Account Receivable	Note Receivable	Account Receivable	Note Receivable	Account Receivable
Not Overdue	\$ 4,490	\$ 2,264,653	\$ 4,121	\$ 3,967,800	\$ 2,386	\$ 2,135,604
Overdue within 30 days	-	108,341	-	23,355	-	87,933
31-90 days	-	1,706	-	1,605	-	3,593
91-180 days	-	-	-	19,234	-	2,110
More than 181 days	-	22,887	-	2,165	-	6,620
	<u>\$ 4,490</u>	<u>\$ 2,397,587</u>	<u>\$ 4,121</u>	<u>\$ 4,014,159</u>	<u>\$ 2,386</u>	<u>\$ 2,235,860</u>

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

2. As of June 30, 2026, December 31, 2025, June 30, 2025, and January 1, 2025, the Group's contracted accounts receivable (including notes receivable) amounted to \$2,402,077, \$4,018,280, \$2,238,246, and \$3,490,391, respectively.
3. No accounts receivable or notes receivable were pledged as collateral by the Group.
4. As of June 30, 2026, December 31, 2025, and June 30, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's note receivables and accounts were the carrying amount.
5. Please refer to Note XII(II) for information regarding the credit risks on note receivable and accounts receivable.

(V) Inventories

June 30, 2026			
	Cost	Allowance for Price Decline	Carrying Amount
Raw materials	\$ 963,352	(\$ 59,768)	\$ 903,584
Work in progress	346,553	(818)	345,735
Finished goods	691,368	(61,150)	630,218
Inventory in transit	43,867	-	43,867
	<u>\$ 2,045,140</u>	<u>(\$ 121,736)</u>	<u>\$ 1,923,404</u>
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
	<u>\$ 2,674,640</u>	<u>(\$ 126,352)</u>	<u>\$ 2,548,288</u>
June 30, 2025			
	Cost	Allowance for Price Decline	Carrying Amount
Raw materials	\$ 983,638	(\$ 70,989)	\$ 912,649
Work in progress	283,235	(602)	282,633
Finished goods	620,713	(50,902)	569,811
Inventory in transit	51,321	-	51,321
	<u>\$ 1,938,907</u>	<u>(\$ 122,493)</u>	<u>\$ 1,816,414</u>

Inventory costs recognized as expenses by the Group during the current period:

	April 1 to June 30, 2026	April 1 to June 30, 2025
Cost of inventories sold	\$ 2,805,886	\$ 2,899,832
Price decline loss	7,002	18,537
Disposition loss	918	247
Others	(2,239)	(1,347)
	<u>\$ 2,811,567</u>	<u>\$ 2,917,269</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Cost of inventories sold	\$ 6,354,647	\$ 6,678,435
Price decline loss (Recovery gain)	(4,616)	38,074
Disposition loss	918	4,425
Others	(6,230)	(6,558)
	<u>\$ 6,344,719</u>	<u>\$ 6,714,376</u>

Due to inventory consumption and increased material price, during the period between January 1 to June 30, 2026, the net realizable value of inventories recovered, which resulted in a decrease in cost of goods sold recognized.

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

Item	June 30, 2026	December 31, 2025	June 30, 2025
Non-Current item:			
Unlisted stocks	\$ 55	\$ 55	\$ 55

1. The Group elected to classify its strategic equity investments as financial assets at fair value through other comprehensive income.
2. During the period from January 1 to June 30, 2025, the Group re-listed accumulated losses of \$3,382 from other equity to retained earnings due to the liquidation of a non-listed company in which it had invested.
3. No financial asset measured at FVTOCI was pledged by the Group as collateral.

(VII) Prepayments

	June 30, 2026	December 31, 2025	June 30, 2025
Input tax	\$ 46,996	\$ 55,654	\$ 42,149
Overpaid sales tax	13,143	46,441	39,942
Prepaid expenses	46,848	57,413	60,644
Prepayment for purchases	42,384	5,146	15,268
	<u>\$ 149,371</u>	<u>\$ 164,654</u>	<u>\$ 158,003</u>

(VIII) Investments accounted for using the equity method

	June 30, 2026	December 31, 2025	June 30, 2025
Technology on Prototyping Ultimate Co., Ltd.	\$ 17,421	\$ 18,321	\$ 17,039
Baoji Zatech Material Co., Ltd.	3,712	3,414	3,080
Maya Metal Technology Co., Ltd.	-	-	-
Munich Composites GmbH	-	-	-
	<u>\$ 21,133</u>	<u>\$ 21,735</u>	<u>\$ 20,119</u>

1. As of June 30, 2026, December 31, 2025, and June 30, 2025, 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 June 30, 2026, December 31, 2025, and June 30, 2025, the carrying amounts of the Group's individually insignificant associates totaled \$21,133, \$21,735, and \$20,119, respectively.

	April 1 to June 30, 2026	April 1 to June 30, 2025
Net income (loss)	(\$ 209)	\$ 74
Other comprehensive income (net amount after tax)	-	-
Total comprehensive income (loss)	<u>(\$ 209)</u>	<u>\$ 74</u>

	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Net loss	(\$ 753)	(\$ 753)
Other comprehensive income (net amount after tax)	<u>-</u>	<u>-</u>
Total comprehensive income (loss)	<u>(\$ 753)</u>	<u>(\$ 753)</u>

3. The Group adopted the financial statements of its invested companies accounted for using the equity method for the periods between January 1 to June 30, 2026 and 2025, which were such companies' self-compiled statements and were not reviewed by independent auditors for the same periods.
4. Munich Composites GmbH applied for capital increase in June 2023, and the Group participated and subscribed the shares in accordance with the share-holding percentage, and so the Group's shareholding in the company had 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.
5. The Group evaluated Munich Composites GmbH's recoverable amount for continuous operation according to IFRS 36 using 4.35% discount rate in the year of 2023, and determined the recoverable amount is less than the company's carrying amount. Hence, the Group recognized an impairment loss of \$4,069. As of June 30, 2026, there was not a significant change based on the Group's assessment.
6. 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 on the company 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.

(Blank below)

(IX) Property, Plants and Equipment

	Land	Housing & Structures	Machinery	Utility equipment	Transportation equipment	Office equipment	Other equipment	Equipment to be inspected & Construction in Progress	Total
January 1, 2026									
Cost	\$ 162,544	\$ 3,114,745	\$ 3,656,136	\$ 367,126	\$ 6,672	\$ 93,203	\$ 738,227	\$ 406,567	\$ 8,545,220
Accumulated depreciation & impairment	-	(991,275)	(1,828,150)	(263,370)	(2,948)	(68,387)	(416,138)	-	(3,570,268)
	<u>\$ 162,544</u>	<u>\$ 2,123,470</u>	<u>\$ 1,827,986</u>	<u>\$ 103,756</u>	<u>\$ 3,724</u>	<u>\$ 24,816</u>	<u>\$ 322,089</u>	<u>\$ 406,567</u>	<u>\$ 4,974,952</u>
<u>2026</u>									
January 1	\$ 162,544	\$ 2,123,470	\$ 1,827,986	\$ 103,756	\$ 3,724	\$ 24,816	\$ 322,089	\$ 406,567	\$ 4,974,952
Addition	-	27,961	34,749	8,304	-	4,862	19,674	45,567	141,117
Re-classification	-	87,631	22,028	360	-	-	20,577	(68,693)	61,903
Disposal - reduce in cost	-	(15,456)	(47,527)	(13,853)	(320)	(1,227)	(30,052)	-	(108,435)
Disposal - reduce in accumulated depreciation & impairment	-	15,214	47,527	13,853	320	1,227	26,502	-	104,643
Depreciation expenses	-	(113,915)	(177,596)	(15,592)	(521)	(6,060)	(56,366)	-	(370,050)
Net exchange difference	-	18,018	17,014	301	26	312	2,689	3,972	42,332
June 30	<u>\$ 162,544</u>	<u>\$ 2,142,923</u>	<u>\$ 1,724,181</u>	<u>\$ 97,129</u>	<u>\$ 3,229</u>	<u>\$ 23,930</u>	<u>\$ 305,113</u>	<u>\$ 387,413</u>	<u>\$ 4,846,462</u>
June 30, 2026									
Cost	\$ 162,544	\$ 3,247,972	\$ 3,708,283	\$ 368,467	\$ 6,421	\$ 99,129	\$ 760,565	\$ 387,413	\$ 8,740,794
Accumulated depreciation & impairment	-	(1,105,049)	(1,984,102)	(271,338)	(3,192)	(75,199)	(455,452)	-	(3,894,332)
	<u>\$ 162,544</u>	<u>\$ 2,142,923</u>	<u>\$ 1,724,181</u>	<u>\$ 97,129</u>	<u>\$ 3,229</u>	<u>\$ 23,930</u>	<u>\$ 305,113</u>	<u>\$ 387,413</u>	<u>\$ 4,846,462</u>

	Land	Housing & Structures	Machinery	Utility equipment	Transportation equipment	Office equipment	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 & impairment	- (925,568)	(1,550,533)	(239,248)	(2,209)	(65,751)	(350,669)	- (3,133,978)		
	<u>\$ 162,544</u>	<u>\$ 2,018,591</u>	<u>\$ 1,711,391</u>	<u>\$ 103,718</u>	<u>\$ 4,607</u>	<u>\$ 30,404</u>	<u>\$ 338,046</u>	<u>\$ 554,160</u>	<u>\$ 4,923,461</u>
<u>2025</u>									
January 1	\$ 162,544	\$ 2,018,591	\$ 1,711,391	\$ 103,718	\$ 4,607	\$ 30,404	\$ 338,046	\$ 554,160	\$ 4,923,461
Addition	-	38,778	77,065	6,338	-	3,295	35,011	175,710	336,197
Re-classification	-	163,910	112,173	12,207	-	304	15,666	(246,396)	57,864
Disposal - reduce in cost	- (10,000)	(57,173)	(1,841)	-	(1,521)	(16,392)	-	(86,927)	
Disposal - reduce in accumulated depreciation & impairment	-	10,000	45,082	1,841	-	1,499	16,116	-	74,538
Depreciation expenses	- (106,033)	(182,909)	(13,952)	(531)	(6,189)	(50,816)	-	(360,430)	
Net exchange difference	- (139,838)	(108,492)	(1,307)	(195)	(1,230)	(11,737)	(32,447)	(295,246)	
June 30	<u>\$ 162,544</u>	<u>\$ 1,975,408</u>	<u>\$ 1,597,137</u>	<u>\$ 107,004</u>	<u>\$ 3,881</u>	<u>\$ 26,562</u>	<u>\$ 325,894</u>	<u>\$ 451,027</u>	<u>\$ 4,649,457</u>
June 30, 2025									
Cost	\$ 162,544	\$ 2,938,831	\$ 3,196,544	\$ 341,804	\$ 6,524	\$ 91,775	\$ 687,175	\$ 451,027	\$ 7,876,224
Accumulated depreciation & impairment	- (963,423)	(1,599,407)	(234,800)	(2,643)	(65,213)	(361,281)	-	(3,226,767)	
	<u>\$ 162,544</u>	<u>\$ 1,975,408</u>	<u>\$ 1,597,137</u>	<u>\$ 107,004</u>	<u>\$ 3,881</u>	<u>\$ 26,562</u>	<u>\$ 325,894</u>	<u>\$ 451,027</u>	<u>\$ 4,649,457</u>

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

	January 1 to June 30, 2026	January 1 to June 30, 2025
Capitalization amounts	\$ 637	\$ 77
Range of capitalized interest rate	1.885%	1.885%

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 refer to Note X for details regarding losses on property, plant, and equipment recognized by Lauch Technologies due to fire incident.
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:

	June 30, 2026	December 31, 2025	June 30, 2025
	Carrying Amount	Carrying Amount	Carrying Amount
Land	\$ 544,385	\$ 662,380	\$ 659,995
Housing & Structure	68,390	81,569	100,017
Machinery	13,017	19,803	13,989
Transportation equipment	-	-	117
	<u>\$ 625,792</u>	<u>\$ 763,752</u>	<u>\$ 774,118</u>

	April 1 to June 30, 2026	April 1 to June 30, 2025
	Depreciation expenses	Depreciation expenses
Land	\$ 6,538	\$ 6,451
Housing & Structure	6,764	11,657
Machinery	3,497	2,548
Transportation equipment	-	72
	<u>\$ 16,799</u>	<u>\$ 20,728</u>

	April 1 to June 30, 2026	April 1 to June 30, 2025
	Depreciation expenses	Depreciation expenses
Land	\$ 13,066	\$ 13,034
Housing & Structure	16,031	24,097
Machinery	6,998	5,266
Transportation equipment	-	148
	<u>\$ 36,095</u>	<u>\$ 42,545</u>

3. The additions to the Group's right-of-use assets for the periods between January 1 to June 30, 2026 and 2025 amounted to \$5,302 and \$76,850, respectively. Due to lease modification, during the period from January 1, 2026 to June 30, 2026, the Group's right-of-use assets and lease liabilities decreased in the amount of \$113,462 and \$126,378, respectively and recognized a gain on lease modification in the amount of \$12,916. There were no lease modifications during the period from January 1, 2025 to June 30, 2025.
4. The following table shows the profit or loss items in connection with lease contracts:

	April 1 to June 30, 2026	April 1 to June 30, 2025
<u>Items that affect current profit or loss</u>		
Interest expense on lease liability	\$ 2,629	\$ 2,330
Expenses related to short-term lease agreements and leases of low-value assets	4,174	4,557
Gain on lease modification	12,916	-
	January 1 to June 30, 2026	January 1 to June 30, 2025
<u>Items that affect current profit or loss</u>		
Interest expense on lease liability	\$ 5,350	\$ 4,840
Expenses related to short-term lease agreements and leases of low-value assets	8,538	9,811
Gain on lease modification	12,916	-

5. The Group's total cash used in lease were \$42,928 and \$46,288 for the periods between January 1 to June 30, 2026 and 2025 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	
	2026	2025
January 1		
Cost	\$ 82,888	\$ 47,584
Accumulated Amortization	(44,363)	(26,493)
	<u>\$ 38,525</u>	<u>\$ 21,091</u>
January 1	\$ 38,525	\$ 21,091
Addition - from separately acquired	5,413	13,860
Re-classification	4,541	-
Amortization expenses	(10,880)	(8,049)
Effect of exchange rate changes	1	(82)
June 30	<u>\$ 37,600</u>	<u>\$ 26,820</u>
June 30		
Cost	\$ 92,842	\$ 61,444
Accumulated Amortization	(55,242)	(34,624)
	<u>\$ 37,600</u>	<u>\$ 26,820</u>

Amortization of intangible assets is detailed as below:

	April 1 to June 30, 2026	April 1 to June 30, 2025
Operating costs	\$ 996	\$ 1,266
Administration expenses	1,439	1,077
Research and development expenses	<u>3,043</u>	<u>1,841</u>
	<u>\$ 5,478</u>	<u>\$ 4,184</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Operating costs	\$ 2,034	\$ 2,636
Administrative expenses	2,634	1,554
Research and development expenses	<u>6,212</u>	<u>3,859</u>
	<u>\$ 10,880</u>	<u>\$ 8,049</u>

(XII) Short-term loans

Type of Loan	June 30, 2026	December 31, 2025	June 30, 2025
Bank credit loan	\$ 764,288	\$ 1,217,124	\$ 883,356
Bank guaranteed loans	-	60,000	-
Loans against letter of credit	<u>34,944</u>	<u>52,401</u>	<u>30,630</u>
	<u>\$ 799,232</u>	<u>\$ 1,329,525</u>	<u>\$ 913,986</u>
Range of interest rate	<u>0%~4.25%</u>	<u>0%~4.4%</u>	<u>0%~5.1%</u>

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

	June 30, 2026	December 31, 2025	June 30, 2025
Payroll and bonus payable	\$ 410,048	\$ 580,876	\$ 414,583
Processing fee payable	266,467	326,845	257,882
Employee, directors and supervisors remuneration payable	102,179	72,677	108,577
Equipment expenses payable	31,523	29,372	61,515
Others	292,757	335,102	296,127
	<u>\$ 1,102,974</u>	<u>\$ 1,344,872</u>	<u>\$ 1,138,684</u>

(XIV)Other current liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Receipts under custody	\$ 47,151	\$ 40,934	\$ 45,875
Contract liabilities – current	46,894	19,857	23,167
Others	2,212	2,902	2,805
	<u>\$ 96,257</u>	<u>\$ 63,693</u>	<u>\$ 71,847</u>

(XV)Corporate bond payable

As of June 30, 2026 and December 31, 2025: None.

	June 30, 2025
Corporate bond payable	\$ 612,000
Less: Discount on corporate bond payable	(985)
	611,015
Less: Corporate bond due within one year	(611,015)
	<u>\$ -</u>

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 corporate bonds were listed and traded on July 20, 2022 at the OTC Taipei Exchange of the Republic of China and will be matured on July 20, 2025. The trading on TPEx market will be terminated on the next business day (July 21, 2025) following the expiration date.
- 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, 2026, 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 have 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 as non-controlling interests 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 remained unconverted at maturity and the Company has repaid the creditors in a lump-sum cash payment based on the face value of the bonds (NT\$100,000 per bond).
2. Launch Technologies issued the first unsecured domestic convertible bond.

(1) Terms and Conditions:

- A. Upon competent authority's approval, subsidiary, Launch Technologies Co., Ltd., 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 the TPEx market; following the share conversion with the Company on November 29, 2024, the trading at the TPEx was terminated on the same day.
- 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 the Company's subsidiary, Launch Technologies Co., Ltd., to convert the bonds into the Company's subsidiary, Launch Technologies Co., Ltd.'s, common 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. As of November 29, 2024, the conversion price has been 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, the Company's subsidiary, Launch Technologies Co., Ltd., 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, 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, accounting for an 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 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

<u>Type of loans</u>	<u>Loan period and repayment method</u>	<u>Interest rate range</u>	<u>Collateral</u>	<u>June 30, 2026</u>
Long-term bank borrowings				
Credit loan	Duration from March 2025 to March 2030; interest paid on a monthly basis; starting from March 2027 onwards, repayment will be made in every six months.	4.44%	None	\$ 671,716
Credit loan	Duration from July 2025 to April 2029; interest paid on a monthly basis; principals are paid in installments.	1.98%	None	298,200
				969,916
Less: long-term borrowings due within 1 year				(126,811)
				\$ 843,105

Type of loans	Loan period and repayment method	Interest rate range	Collateral	December 31, 2025
Long-term bank borrowings				
Credit loan	Duration from March 2025 to March 2030; interest paid on a monthly basis; starting from March 2026 onwards, repayment will be made in every six months.	4.70%	None	\$ 521,738
Credit loan	Duration from July 2025 to April 2029; 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. Principals are paid at once upon maturity.	4.99%	None	240,600
				<u>1,060,538</u>
Less: long-term borrowings due within 1 year				(104,348)
				<u>\$ 956,190</u>

Type of loans	Loan period and repayment method	Interest rate range	Collateral	June 30, 2025
Long-term bank borrowings				
Secured loan	Duration from July 2024 to July 2027. Principals are paid at once upon maturity.	5.78%	Note	\$ 85,810
Secured loan	Duration from March 2025 to March 2030; interest paid on a monthly basis; starting from March 2026 onwards, repayment will be made in every six months.	5.13%	Note	424,850
Credit loan	Duration from July 2024 to July 2027. Principals are paid at once upon maturity.	5.78%	None	139,366
				<u>650,026</u>
Less: long-term borrowings due within 1 year				(42,485)
				<u>\$ 607,541</u>

Note: The loan is secured by machinery and equipment, but as of June 30, 2025, the pledge setting had not been completed.

1. Please refer to Note VIII “Pledged Assets” for collateral of the above-listed long-term loans.
2. The Group’s bank loans are recognized interest expenses in profit or loss, please refer to Note VI (XXVII) 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) For the periods starting from April 1 to June 30, 2026 and 2025, and the six-month periods ended June 30, 2026 and 2025, the pension costs recognized by the Group in accordance with the aforementioned contribution plan were \$522, \$534, \$1,035, and \$1,076, respectively.
- (3) The Company expects to make contributions of \$2,092 to the pension plan within the one-year period.
- 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 was both 16% for the six month periods ended June 30, 2026 and 2025. 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) For the periods between April 1 to June 30, 2026 and 2025, and the periods between January 1 to June 30, 2026 and 2025, the pension costs recognized by the Group in accordance with the aforementioned contribution plans were \$48,662, \$32,182, \$,99,053, and \$67, 690, respectively.

(XVIII) Provision for liabilities

	Disaster Indemnification Loss	
	2026	2025
Balance as of January 1	\$ 40,877	\$ 40,911
Provision for liabilities used during the period	-	(34)
Balance as of June 30	<u>\$ 40,877</u>	<u>\$ 40,877</u>

Please refer to Note XII(IV) for the estimated compensation of Launch Technologies due to the fire accident on September 22, 2023.

(XIX) Share Capital

As of June 30, 2025, the Company had an authorized capital in the amount of \$1,800,000 with 180,000 thousand shares (in which 5,000 thousand shares are withheld for the issuance of warrants, corporate bonds with stock option, or special shares with stock options for the exercise of stock options), 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):

	2026	2025
January 1	154,358	152,005
Corporate bond conversion (Note)	-	2,258
June 30	154,358	154,263

Note: the Company's convertible bonds were converted into 2,258 thousand shares of common stock in 2025; as of June 30, 2025, a total of 1,642 thousand shares had not yet been registered as transferred. The Board of Directors resolved on August 4, 2025, to designate that date as the record date for the issuance of new shares upon conversion, and the registration of this change has been completed

2. Treasury Stock

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

		June 30, 2026	
Name of investor company	Reasons for recovery	Number of shares (in 1000 shares)	Carrying amount
The Company	Available for transfer of shares to employees (Note)	2,629	\$ 200,920

		December 31, 2025	
Name of investor company	Reasons for recovery	Number of shares (in 1000 shares)	Carrying amount
The Company	Available for transfer of shares to employees (Note)	2,629	\$ 200,920

		June 30, 2025	
Name of investor company	Reasons for recovery	Number of shares (in 1000 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 June 30, 2026, 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.

(XX) Capital surplus

Under the Company Act, capital surplus arising from shares issued at the premium or from donation may be used for offsetting the deficit. When the Company has no accumulated losses, new shares or cash will be issued to shareholders in proportion to their original shareholding. 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.

(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 March 3, 2026, the Company's Board of Directors approved the 2025 earnings distribution plan, authorizing a cash dividend of \$4 per share, for a total dividend of \$617,430; the distribution plan was reported to shareholders during the Shareholders' Meeting on May 29, 2026. 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; the dividend distribution plan was reported to the stockholders on May 29, 2025.

(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:

<u>Customer by geographical areas</u>	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Americas	\$ 2,250,337	\$ 2,615,613
Asia	871,783	680,383
Others	64,013	35,717
	<u>\$ 3,186,133</u>	<u>\$ 3,331,713</u>

<u>Customer by geographical areas</u>	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2026</u>
Americas	\$ 5,332,701	\$ 6,200,351
Asia	1,813,722	1,564,496
Others	141,162	118,450
	<u>\$ 7,287,585</u>	<u>\$ 7,883,297</u>

2.Contract liabilities

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

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>	<u>January 1, 2025</u>
Consumer products	<u>\$ 46,894</u>	<u>\$ 19,857</u>	<u>\$ 23,167</u>	<u>\$ 26,990</u>

(2) Income recognized in the current period from contract liabilities in the beginning of the period.

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Consumer products	<u>\$ 151</u>	<u>\$ 13,535</u>

	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Consumer products	<u>\$ 19,381</u>	<u>\$ 23,005</u>

(XXIII)Other income and expenses - net

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Income from molds	\$ 10,393	\$ 11,127
Income from samples	8,619	6,724
Other income	11,324	9,076
	<u>\$ 30,336</u>	<u>\$ 26,927</u>

	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Income from molds	\$ 31,465	\$ 20,599
Income from samples	18,370	13,532
Other income	18,013	43,769
	<u>\$ 67,848</u>	<u>\$ 77,900</u>

(XXIV)Interest income

	April 1 to June 30, 2026	April 1 to June 30, 2025
Interest from bank deposits	\$ 13,342	\$ 13,337
Others	1,852	3,904
	<u>\$ 15,194</u>	<u>\$ 17,241</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Interest from bank deposits	\$ 24,616	\$ 26,398
Others	2,702	5,073
	<u>\$ 27,318</u>	<u>\$ 31,471</u>

(XXV)Other income

	April 1 to June 30, 2026	April 1 to June 30, 2025
Government subsidy income	\$ 2,105	\$ 45
Others	5,422	9,033
	<u>\$ 7,527</u>	<u>\$ 9,078</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Government subsidy income	\$ 2,157	\$ 134
Others	10,105	12,281
	<u>\$ 12,262</u>	<u>\$ 12,415</u>

(XXVI)Other gains and losses

	April 1 to June 30, 2026	April 1 to June 30, 2025
Gain on disposal of property, plant and equipment	\$ 5,539	\$ 444
Gain on lease modification	12,916	-
Gain (loss) on foreign exchange, net	(35,742)	(466,883)
Net gain (loss) from financial assets and liabilities at fair value through profit or loss	2,377	7,905
Others	183	(1,060)
	<u>(\$ 14,727)</u>	<u>(\$ 459,594)</u>

	January 1 to June 30, 2026	January 1 to June 30, 2025
Gain on disposal of property, plant and equipment	\$ 5,539	\$ 1,020
Gain on lease modification	12,916	-
Gain (loss) on foreign exchange, net	13,896	(402,681)
Net gain (loss) from financial assets and liabilities at fair value through profit or loss	(1,347)	8,809
Gain on convertible bond buyback	-	(324)
Insurance claim income	-	372,481
Others	543	(4,878)
	<u>\$ 31,547</u>	<u>(\$ 25,573)</u>

(XXVII)Finance costs

	April 1 to June 30, 2026	April 1 to June 30, 2025
Interest expense		
Bank loans	\$ 17,058	\$ 20,064
Interest on lease liabilities	2,629	2,330
Amortization of corporate bond discount	-	2,922
Other finance costs	(5)	14
	<u>\$ 19,682</u>	<u>\$ 25,330</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Interest expense		
Bank loans	\$ 35,827	\$ 42,359
Interest on lease liabilities	5,350	4,840
Amortization of corporate bond discount	-	5,968
Other finance costs	18	48
	<u>\$ 41,195</u>	<u>\$ 53,215</u>

(XXVIII)Additional information regarding the nature of expenses

	April 1 to June 30, 2026	April 1 to June 30, 2025
Employee benefits expense	\$ 791,451	\$ 764,947
Depreciation expenses	203,343	199,998
Amortization expenses	8,113	9,790
	January 1 to June 30, 2026	January 1 to June 30, 2025
Employee benefits expense	\$ 1,624,279	\$ 1,667,504
Depreciation expenses	406,145	402,975
Amortization expenses	16,353	20,102

(XXIX)Employee benefits expense

	April 1 to June 30, 2026	April 1 to June 30, 2025
Salary and wages	\$ 630,242	\$ 614,712
Labor and health insurance premiums	43,476	59,599
Pension expense	49,184	32,716
Remuneration to directors	1,878	4,790
Other personnel cost	66,671	53,130
	<u>\$ 791,451</u>	<u>\$ 764,947</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Salary and wages	\$ 1,320,379	\$ 1,363,529
Labor and health insurance premiums	85,866	125,598
Pension expense	100,088	68,766
Remuneration to directors	5,503	9,822
Other personnel cost	112,443	99,789
	<u>\$ 1,624,279</u>	<u>\$ 1,667,504</u>

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 and supervisors. However, if the Company still has an accumulated deficit, the earnings should be used to make up the loss.
2. For the periods of April 1 to June 30, 2026 and 2025, and January 1 to June 30, 2026 and 2025, the Company recognized compensation to employees in the accrued amounts equal to \$8,648, \$17,509, \$22,552, and \$33,319, respectively; remuneration to directors in the accrued amounts equal to \$1,458, \$3,532, \$4,583, and \$7,065, respectively, and the above-mentioned amounts were presented under payroll expense.

The amounts for the period between January 1 to June 30, 2026 and 2025 were estimated at certain percentages based on the profits earned by the end of the period.

The amounts of compensation to employees and remuneration to directors and supervisors for 2025 that had been resolved by the Board of Directors are the same as the amounts stated on the 2025 financial statements. The above-mentioned employee compensation was distributed 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. Components of income tax expenses:

	April 1 to June 30, 2026	April 1 to June 30, 2025
Current income tax:		
Income tax in the current period	\$ 2,395	(\$ 40,500)
Surtax on undistributed earnings	9,458	24,940
Underestimation (over-) of prior year's income taxes	(14)	(2,513)
Total current income tax	11,839	(18,073)
Deferred income tax:		
Origination and reversal of temporary differences	(12,496)	(36,797)
Income tax gains	<u>(\$ 657)</u>	<u>(\$ 54,870)</u>

	January 1 to June 30, 2026	January 1 to June 30, 2025
Current income tax:		
Income tax in the current period	\$ 40,967	\$ 46,380
Surtax on undistributed earnings	9,458	24,940
Underestimation (over-) of prior year's income taxes	(1,645)	20,504
Total current income tax	48,780	91,824
Deferred income tax:		
Origination and reversal of temporary differences	(8,506)	(26,900)
Income tax expenses	<u>\$ 40,274</u>	<u>\$ 64,924</u>

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

(XXXI) Earnings (Loss) per share

	April 1 to June 30, 2026		
	After-tax amount	Weighted average number of outstanding shares (thousand shares)	EPS (\$1)
<u>Basic earnings per share</u>			
Net gain attributable to common shares shareholders of the parent company	<u>\$ 2,572</u>	<u>154,358</u>	<u>\$ 0.02</u>
<u>Diluted earnings per share</u>			
Net gain attributable to common shares shareholders of the parent company	\$ 2,572	154,358	
Effect of potentially dilutive common stocks			
Employee remuneration	-	163	
Profit attributable to ordinary shareholders of the parent company plus effect of potentially dilutive common stocks	<u>\$ 2,572</u>	<u>154,521</u>	<u>\$ 0.02</u>

April 1 to June 30, 2025			
	After-tax amount	Weighted average number of outstanding shares (thousand shares)	EPS (\$1)
<u>Basic and Diluted loss per share</u>			
Net loss attributable to common shares shareholders of the parent company	(\$ 329,204)	153,129	(\$ 2.15)
January 1 to June 30, 2026			
	After-tax amount	Weighted average number of outstanding shares (thousand shares)	EPS (\$1)
<u>Basic earnings per share</u>			
Net gain attributable to common shares shareholders of the parent company	\$ 207,180	154,358	\$ 1.34
<u>Diluted earnings per share</u>			
Net gain attributable to common shares shareholders of the parent company	\$ 207,180	154,358	
Effect of potentially dilutive common stocks			
Employee remuneration	-	663	
Profit attributable to ordinary shareholders of the parent company plus effect of potentially dilutive common stocks	\$ 207,180	155,021	\$ 1.34
January 1 to June 30, 2025			
	After-tax amount	Weighted average number of outstanding shares (thousand shares)	EPS (\$1)
<u>Basic earnings per share</u>			
Net gain attributable to common shares shareholders of the parent company	\$ 333,094	152,682	\$ 2.18
<u>Diluted earnings per share</u>			
Net gain attributable to common shares shareholders of the parent company	\$ 333,094	152,682	
Effect of potentially dilutive common stocks			
Convertible bonds	4,220	6,945	
Convertible bonds - subsidiary	1,748	1,214	
Employee remuneration	-	723	
Profit attributable to ordinary shareholders of the parent company plus effect of potentially dilutive common stocks	\$ 339,062	161,564	\$ 2.10

Note: During the period from April 1 to June 30, 2025, the convertible bonds or employee remuneration are with anti-dilutive effects and were not included in the calculation of loss per share.

(XXXII) Additional information regarding cash flows

1. Investing activities with partial cash payments:

	January 1 to June 30, 2026	January 1 to June 30, 2025
Acquisition of property, plant and equipment	\$ 141,117	\$ 336,197
Add: Equipment payable, beginning of period (recognized in other payable)	29,372	131,456
Less: Equipment payable, end of period (recognized in other payable)	(31,523)	(61,515)
Amount paid in Cash - current period	<u>\$ 138,966</u>	<u>\$ 406,138</u>

2. Investing activities that do not affect cash flows:

	January 1 to June 30, 2026	January 1 to June 30, 2025
Equipment prepayments transferred to property, plant and equipment	<u>\$ 61,903</u>	<u>\$ 57,864</u>
Equipment prepayments transferred to intangible assets	<u>\$ 4,541</u>	<u>\$ -</u>
Conversion of convertible bonds into shares and capital surplus	<u>\$ -</u>	<u>\$ 149,304</u>

	January 1 to June 30, 2026	January 1 to June 30, 2025
Increase in Right-of-Use assets	\$ 5,302	\$ 76,850
Less: increase in lease liabilities	(5,302)	(76,850)
	<u>\$ -</u>	<u>\$ -</u>

	January 1 to June 30, 2026	January 1 to June 30, 2025
Decrease in Right-of-Use assets	\$ 113,462	\$ -
Less: decrease in lease liabilities	(126,378)	-
Gain on lease modifications	<u>(\$ 12,916)</u>	<u>\$ -</u>

(XXXIII) Changes in liabilities from financing activities

	Short-term loan	Corporate bond payable (include due in 1 year)	Long-term loans (include due in 1 year)	Lease liabilities	Total liabilities from Financing activities
January 1, 2026	\$ 1,329,525	\$ -	\$ 1,060,538	\$ 601,433	\$ 2,991,496
Changes in financing cash flow	(546,353)	-	(100,049)	(29,040)	(675,442)
Effect of exchange rate changes	16,060	-	9,427	3,119	28,606
Other non-cash changes	-	-	-	(121,076)	(121,076)
June 30, 2026	<u>\$ 799,232</u>	<u>\$ -</u>	<u>\$ 969,916</u>	<u>\$ 454,436</u>	<u>\$ 2,223,584</u>

	Short-term loan	Corporate bond payable (include due in 1 year)	Long-term loans (include due in 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 flow	(652,664)	-	454,998	(31,637)	(229,303)
Effect of exchange rate changes	(115,263)	-	(64,106)	(8,553)	(187,922)
Other non-cash changes	-	(143,012)	-	76,850	(66,162)
June 30, 2025	<u>\$ 913,986</u>	<u>\$ 611,015</u>	<u>\$ 650,026</u>	<u>\$ 622,421</u>	<u>\$ 2,797,448</u>

VII. Related-Party Transactions

(I) Name and relationship of related parties

<u>Name of related party</u>	<u>Relationship with the Group</u>
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

(II) Important transactions with related parties

1. Operating revenue

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Sales of merchandises:		
Frankson Rubber	\$ <u>-</u>	\$ <u>-</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Sales of merchandises:		
Frankson Rubber	\$ <u>-</u>	\$ <u>1</u>

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

2. Purchase

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Merchandises purchase from:		
Maya Metal	\$ 51,960	\$ 18,359
Frankson Rubber	<u>-</u>	<u>19,416</u>
Total	<u>\$ 51,960</u>	<u>\$ 37,775</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Merchandises purchase from:		
Maya Metal	\$ 100,639	\$ 59,385
Frankson Rubber	<u>-</u>	<u>37,520</u>
Total	<u>\$ 100,639</u>	<u>\$ 96,905</u>

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. Payable amount with related parties

	June 30, 2026	December 31, 2025	June 30, 2025
Account Payable:			
Maya Metal	\$ 31,436	\$ 38,771	\$ 18,065
Frankson Rubber	-	1,869	20,387
	<u>31,436</u>	<u>40,640</u>	<u>38,452</u>
	June 30, 2026	December 31, 2025	June 30, 2025
Other Payable			
Technology on Prototype Ultimate Co., Ltd.	4,833	4,833	-
	<u>\$ 36,269</u>	<u>\$ 45,473</u>	<u>\$ 38,452</u>

The amount payable to related parties mainly comes from the purchase of materials, and the payment terms are 45 ~ 90 days after acceptance in monthly settlement, and there is no interest payment on the payable amount.

(III) Information about remunerations paid to the major management

	April 1 to June 30, 2026	April 1 to June 30, 2025
Salary and other employee benefits	<u>\$ 9,358</u>	<u>\$ 11,974</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Salary and other employee benefits	<u>\$ 41,586</u>	<u>\$ 52,939</u>

VIII. Pledged Assets

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

Name of Assets	Carrying Amount			Purose of Guarantee
	June 30, 2026	December 31, 2025	June 30, 2025	
Land	\$ 125,648	\$ 125,648	\$ 125,648	Short-term borrowing
Building & Structures	221,555	160,179	145,572	Short-term and long-term loans and credit facility guarantee
Pledged time deposits (Note)	13,202	8,362	8,364	Lease deposit and others
	<u>\$ 360,405</u>	<u>\$ 294,189</u>	<u>\$ 279,584</u>	

Note: presented as “Other Non-Current Assets – Others”.

IX. Significant Contingent Liabilities and Unrecognized Contractual Commitments

(1) Contingency

Please see Note XII(IV) for detailed information.

(2) Commitments:

1. Balance of outstanding letter of credit:

	June 30, 2026	December 31, 2025	June 30, 2025
Raw materials imported	<u>\$ 48,577</u>	<u>\$ 57,931</u>	<u>\$ 38,345</u>

2. Capital expenditures committed but not yet to incur:

	June 30, 2026	December 31, 2025	June 30, 2025
Property, plant and equipment	\$ 95,940	\$ 128,627	\$ 245,187

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 \$55,000 according to the agreement. Up until June 30, 2026, the Group has invested \$38,339.

5. The Group signed a partnership agreement with Taishin Capital Co., Ltd. on January 30, 2026 to establish Taishin Semiconductor Fund I L.P. The purpose is to invest in Taiwan's semiconductor supply chain, as well as industries such as artificial intelligence and the Internet of Things. The Group promised to invest \$50,000 according to the agreement. Up until June 30, 2026, the Group has invested \$5,386.

X. Significant Losses from Disasters

None.

XI. Significant Subsequent Events

None.

XII. Others

(I) Capital management

There is no significant change in the current period. Please refer to Note XII to the consolidated financial statements for the year ended December 31, 2025.

(II) Financial instrument

1. Types of financial instruments

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	\$ 318,770	\$ 311,236	\$ 282,826
Financial assets at fair value through other comprehensive income or loss			
Election of the designated equity instrument investment	55	55	55
Financial assets measured at amortized costs			
Cash and Cash equivalents	1,957,030	1,377,288	2,050,728
Financial assets measured at amortize costs	396,593	329,381	296,853
Note receivable	4,490	4,121	2,386
Account receivable	2,373,809	4,006,241	2,228,707
Other receivable	11,630	23,398	24,524
Refundable deposits	39,545	39,997	43,685
	<u>\$ 5,101,922</u>	<u>\$ 6,091,717</u>	<u>\$ 4,929,764</u>

	June 30, 2026	December 31, 2025	June 30, 2025
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trade	\$ -	\$ 92	\$ -
Financial liabilities measured at amortized costs			
Short-term loans	799,232	1,329,525	913,986
Note payable	1,885	1,116	1,886
Account payable (include related parties)	1,109,363	1,658,802	1,067,655
Other Payable	1,102,974	1,344,872	1,138,684
Long-term loan (include due within 1 year)	969,916	1,060,538	650,026
Corporate bond payable (include due within 1 year)	-	-	611,015
Deposits received	610	629	573
	<u>\$ 3,983,980</u>	<u>\$ 5,395,574</u>	<u>\$ 4,383,825</u>
Lease liabilities (include non-current)	<u>\$ 454,436</u>	<u>\$ 601,433</u>	<u>\$ 622,421</u>

2. Risk management policy

There is no significant change in the current period. Please refer to Note XII to the consolidated financial statements for the year ended December 31, 2025.

3. The nature and degree of significant financial risks

Except for matters stated below, there is no significant change in the current period. Please refer to Note XII to the consolidated financial statements for the year ended December 31, 2025.

(1) Market risks

Foreign exchange rate risk

A. 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.

June 30, 2026			
	Foreign currency	Exchange	Carrying amount
	(\$1,000)	rate	(NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 114,845	31.85	\$ 3,657,813
USD : RMB	27,152	6.7893	864,791
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	25,907	31.85	825,138
USD : RMB	3,397	6.7893	108,194

December 31, 2025				
		Foreign currency	Exchange	Carrying amount
		(\$1,000)	rate	(NTD)
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : NTD	\$	162,253	31.43	\$ 5,099,612
USD : RMB		61,162	6.9909	1,922,322
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD : NTD		61,830	31.43	1,943,317
USD : RMB		14,070	6.9909	442,220

June 30, 2025				
		Foreign currency	Exchange	Carrying amount
		(\$1,000)	rate	(NTD)
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : NTD	\$	148,666	29.30	\$ 4,355,914
USD : RMB		50,887	7.1655	1,490,989
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD : NTD		42,131	29.30	1,234,438
USD : RMB		11,561	7.1655	338,737

- B. The monetary items of the Group are significantly affected by currency fluctuations, so for the periods between April 1 to June 30, 2026 and 2025, and January 1 to June 30, 2026 and 2025, the Group recognized total exchange gain(loss) of (\$35,742), (\$466,883), \$13,896, and (\$402,681), respectively.
- C. The table below illustrates assets and liabilities denominated in foreign currencies of which the values were materially affected by the exchange rate volatility:

January 1 to June 30, 2026				
Sensitivity Analysis				
		Range of Change	Effect on Profit/Loss	Effect on Other Comprehensive Income
(Foreign currency: functional currency)				
<u>Financial Assets</u>				
<u>Monetary items</u>				
USD : NTD	1%	\$	36,578	\$ -
USD : RMB	1%		8,648	-
<u>Financial Liabilities</u>				
<u>Monetary items</u>				
USD : NTD	1%		8,251	-
USD : RMB	1%		1,082	-

January 1 to June 30, 2025			
Sensitivity Analysis			
	Range of Change	Effect on Profit/Loss	Effect on Other Comprehensive Income
(Foreign currency: functional currency)			
<u>Financial Assets</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 43,559	\$ -
USD : RMB	1%	14,910	-
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
USD : NTD	1%	12,344	-
USD : RMB	1%	3,387	-

Price risk

The Group is not exposed to price risk from products.

Cash flow interest rate risk and fair value interest rate risk

- 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. For the periods between January 1 to June 30, 2026 and 2025, 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 periods between January 1 to June 30, 2026 and 2025 will decrease or increase by \$1,693 and \$1,468, 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 in recent years.

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 June 30, 2026, December 31, 2025, and June 30, 2025, were as follows:

	Not Overdue	Pass Due						
		Due within 30 days	31~ 60 days	61~ 90 days	91~ 120 days	121~ 150 days	151~ 180 days	More than 180 days
<u>June 30, 2026</u>	0.00%~ 0.02%	0.04%~ 0.41%	0.04%~ 3.33%	0.09%~ 6.91%	0.42%~ 22.56%	3.89%~ 41.67%	24.30%~ 75.29%	100%
<u>December 31, 2025</u>	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%
<u>June 30, 2025</u>	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%

The Group's balance of accounts overdue for 31 days and more as of June 30, 2026, December 31, 2025, and June 30, 2025, accounted for approximately 1.03%, 0.57% and 0.55% of the total amount, respectively.

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

	2026	
	Note Receivable	Account Receivable
January 1	\$ -	\$ 7,918
Provision for impairment loss	-	15,860
June 30	<u>\$ -</u>	<u>\$ 23,778</u>

	2025	
	Note Receivable	Account Receivable
January 1	\$ -	\$ 1,450
Provision for impairment loss	-	5,703
June 30	<u>\$ -</u>	<u>\$ 7,153</u>

(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 or with sufficient liquidity so as to satisfy the said forecasting and provide sufficient position for dispatching of funds. As of June 30, 2026, December 31, 2025, and June 30, 2025, the Group had a money market position in the amounts equal to \$1,955,821, \$1,376,683, and \$2,049,777, 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:

	June 30, 2026		
	Less than 1 year	1 to 2 years	More than 2 years
<u>Non-derivative financial liabilities:</u>			
Short-term loans	\$ 807,117	\$ -	\$ -
Account payable (include related parties)	1,109,363	-	-
Other payable	1,102,974	-	-
Lease liabilities (include non-current)	49,462	38,508	507,608
Long-term loans	161,450	280,927	618,151

Derivative financial liabilities: None.

	December 31, 2025		
	Less than 1 year	1 to 2 years	More than 2 years
<u>Non-derivative financial liabilities:</u>			
Short-term loans	\$ 1,344,381	\$ -	\$ -
Account payable (include related parties)	1,658,802	-	-
Other payable	1,344,872	-	-
Lease liabilities (include non-current)	64,359	42,652	648,742
Long-term loans	132,321	505,104	515,316

Derivative financial liabilities:

Forward foreign exchange contracts	92	-	-
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	June 30, 2025		
	Less than 1 year	1 to 2 years	More than 2 years
<u>Non-derivative financial liabilities:</u>			
Short-term loans	\$ 927,362	\$ -	\$ -
Account payable (include related parties)	1,067,655	-	-
Other payable	1,138,684	-	-
Lease liabilities (include non-current)	74,815	45,849	659,482
Long-term loans	63,735	102,406	579,935
Corporate bond payable	612,000	-	-

Derivative financial liabilities: None.

On December 31, 2025, the principal amount of long-term loans due within 1 to 2 years was \$240,600 (and total interest was \$19,088), and the Group had advanced the repayment in succession in May 2026. 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

- 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 (include related parties), 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 June 30, 2026 and December 31, 2025: None.

	Carrying amount	June 30, 2025		
		Level I	Level II	Level III
Financial liabilities				
Corporate bonds payable	\$ 611,015	\$ -	\$ 611,339	\$ -

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:

June 30, 2026	Level I	Level II	Level III	Total
Assets				
<u>Recurring fair value</u>				
Financial assets at fair value through profit or loss				
Privately offered funds	\$ -	\$ -	\$ 47,571	\$ 47,571
Overseas treasury bills	-	271,199	-	271,199
Financial assets at fair value through other income/loss				
Equity securities	-	-	1,097	1,097
	<u>\$ -</u>	<u>\$ 271,199</u>	<u>\$ 48,668</u>	<u>\$ 319,867</u>

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

Liabilities

Recurring fair value

Financial liabilities at fair value through profit or loss

Forward foreign exchange contracts	\$ -	\$ 92	\$ -	\$ 92
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June 30, 2025	Level I	Level II	Level III	Total
Assets				
<u>Recurring fair value</u>				
Financial assets at fair value through profit or loss				
Privately offered funds	\$ -	\$ -	\$ 41,175	\$ 41,175
Overseas treasury bills	-	241,651	-	241,651
Financial assets at fair value through other comprehensive income/loss				
Equity securities	-	-	1,014	1,014
	<u>\$ -</u>	<u>\$ 241,651</u>	<u>\$ 42,189</u>	<u>\$ 283,840</u>

(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 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 for the periods between January 1 to June 30, 2026 and 2025.
5. The following table shows the Level 3 changes for the period between January 1 to June 30, 2026 and 2025.

	2026				
	Private fund	Hybrid tools	Derivative instruments	Equity securities	Total
January 1	\$ 46,624	\$ -	\$ -	\$ 55	\$ 46,679
Purchased - current	6,559	-	-	-	6,559
Profit (loss) recognized as profit/loss	(5,612)				(5,612)
Recognized as non-operating income and expenditures	-	-	-	-	-
June 30	<u>\$ 47,571</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55</u>	<u>\$ 47,626</u>

	2025				
	Private fund	Hybrid tools	Derivative instruments	Equity securities	Total
January 1	\$ 39,891	\$ -	\$ -	\$ 2,669	\$ 42,560
Purchased - current	1,215	-	-	-	1,215
Sold - current	(3,406)	-	-	(2,618)	(6,024)
Profit (loss) recognized as profit/loss					
Recognized as non-operating income and expenditures	3,475	-	-	-	3,475
Profit (loss) recognized as other comprehensive income/loss	-	-	-	4	4
June 30	<u>\$ 41,175</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55</u>	<u>\$ 41,230</u>

6. Valuation process regarding fair value Level 3 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:

	June 30, 2026		Significant	Interval	Relations between input
	Fair value	Valuation technique(s)	unobservable inputs	(weighted-average)	value and fair value
Derivative instruments:					
Non-derivative equity instruments:					
Shares of venture capital company	\$ 1,097	Net asset value method	Not applicable	Not applicable	Not applicable
Privately offered fund	47,571	Net asset value method	Not applicable	Not applicable	Not applicable
Shares of non-listed companies	-	Net asset value method	Not applicable	Not applicable	Not applicable
Hybrid tools:					
Convertible bond contract	-	Discounted cash flow method	Discount rate	Not applicable	Higher the discount rate, lower the fair value
	December 31, 2025		Significant	Interval	Relations between input
	Fair value	Valuation technique(s)	unobservable inputs	(weighted-average)	value and fair value
Non-derivative equity instruments:					
Shares of venture capital company	\$ 1,116	Net asset value method	Not applicable	Not applicable	Not applicable
Privately offered fund	46,624	Net asset value method	Not applicable	Not applicable	Not applicable
Shares of non-listed companies	-	Net asset value method	Not applicable	Not applicable	Not applicable
Hybrid tools:					
Convertible bond contract	-	Discounted cash flow method	Discount rate	Not applicable	Higher the discount rate, lower the fair value

	June 30, 2025		Significant	Interval	Relations between input
	Fair value	Valuation technique(s)	unobservable inputs	(weighted-average)	value and fair value
Derivative instruments:					
Convertible bond embedded option	\$ -	Binomial tree model	Volatility	16.54%~ 27.79%	Higher the volatility higher the fair value
Non-derivative equity instruments:					
Shares of venture capital company	1,014	Net asset value method	Not applicable	Not applicable	Not applicable
Privately offered fund	41,175	Net asset value method	Not applicable	Not applicable	Not applicable
Shares of non-listed companies	-	Net asset value method	Not applicable	Not applicable	Not applicable
Hybrid tools:					
Convertible bond contract	-	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.

(IV) Others

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. With the exception of a portion of the disaster-related losses (recorded under “Provision for Liabilities”) that remain to be paid, the remaining losses and insurance proceeds were fully settled between 2024 and 2025. In addition, the status of the litigation related to this incident is as follows:

1. 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.
2. 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.

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 Table 3.
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).

Advanced International Multitech Co., Ltd. and Subsidiaries

Fund Lending to Others

January 1 to June, 2026

Table 1

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

No.	Lender	Borrower	Account	Related Party	Highest Amount	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
					Of the Period (Note 1)								Name	Value			
0	Advanced International Multitech Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Other Receivable - related party	Yes	\$ 477,750	\$ 477,750	\$ 477,750	2%	For short-term financing needs	\$ -	As working capital	\$ -	-	\$ -	\$ 1,534,985	\$ 3,069,971	
1	Launch Technologies Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Other Receivable - related party	Yes	95,550	95,550	95,550	2%	For business dealings	621,892		-	-	-	225,973	451,947	

Note 1: Description 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 20% 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)

June 30, 2026

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	-	\$ 41,985	6.04%	\$ 41,985	Note
Advanced International Multitech Co., Ltd.	Taishin Semiconductor Fund I L.P.	None	Financial assets at fair value through profit or loss - non-current	-	5,586	2.38%	5,586	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	-	271,199	-	271,199	
Advanced International Multitech Co., Ltd.	Westpac Banking Corporation Zero Coupon Callable Instruments	None	Financial assets measured at amortized costs - non-current	-	65,174	-	-	

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 June 30, 2026

Table 3

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

			Situation and Reason of Why Trading Conditions are Different								
			Transaction Details				from General Trading		Note and Account Receivable (Payable)		
Name of Company	Name of the Counterparty	Relationship	Purchase/Sales	Amount	Ratio to Total Purchase (Sales)	Loan Period	Unit Price	Loan Period	Balance	Ratio to Total Note or Account Receivable (Payable)	Remark
Advanced International Multitech Co., Ltd.	Advanced Sporting Goods (Dongguan) Co., Ltd.	Second-tier subsidiary	Purchase	\$ 1,925,168	36%	Note 1	Note 1	Note 1	(\$ 805,177)	64%	Note 2
Advanced International Multitech Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Subsidiary	Purchase	3,002,073	56%	Note 1	Note 1	Note 1	(329,683)	26%	Note 2
Launch Technologies Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Sister company	Purchase	617,103	50%	Note 3	Note 3	Note 3	(48,057)	29%	
Advanced Sporting Goods (Dongguan) Co., Ltd.	Advanced International Multitech Co., Ltd.	Ultimate parent company	Sales	(1,925,168)	100%	Note 4	Note 4	Note 4	805,177	100%	
ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Advanced International Multitech Co., Ltd.	Parent company	Sales	(3,002,073)	83%	Note 4	Note 4	Note 4	329,683	87%	
ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Launch Technologies Co., Ltd.	Sister company	Sales	(617,103)	17%	Note 5	Note 5	Note 5	48,057	13%	
ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Maya Metal Technology Co., Ltd.	Associate	Purchase	100,639	3%	Note 6	Note 6	Note 6	(31,436)	4%	

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 June 30, 2026, the offset amount were \$530,901.

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.

Note 6: The price and terms of payment of ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.'s purchase from Maya Metal Technology Co., Ltd. were agreed by both parties and were not comparable to the general transactions as there were no transaction 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

June 30, 2026

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	\$ 805,177	2.50	\$ -		\$ 83,664	\$ -	
ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	Advanced International Multitech Co., Ltd.	Ultimate parent company	329,683	14.58	-	-	329,683	-	

Advanced International Multitech Co., Ltd. and Subsidiaries

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

January 1 to June 30, 2026

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			Ratio to Consolidated Total Revenue or Total Assets (%)
				General Ledger Account	Amount	Transaction Terms	
0	Advanced International Multitech Co., Ltd.	Advanced Sporting Goods (Dongguan) Co., Ltd.	1	Purchase	\$ 1,925,168	Handled in accordance with the agreement between both parties	26%
0	Advanced International Multitech Co., Ltd.	Advanced Sporting Goods (Dongguan) Co., Ltd.	1	Account payable	805,177	Handled in accordance with the agreement between both parties	6%
0	Advanced International Multitech Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	1	Purchase	3,002,073	Handled in accordance with the agreement between both parties	41%
0	Advanced International Multitech Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	1	Account payable	329,683	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	482,353	Handled in accordance with the agreement between both parties	4%
0	Advanced International Multitech Co., Ltd.	Launch Technologies Co., Ltd.	1	Other receivable	171,311	Handled in accordance with the agreement between both parties	1%
3	Launch Technologies Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	3	Purchase	617,103	Handled in accordance with the agreement between both parties	8%
3	Launch Technologies Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	3	Account payable	48,057	Handled in accordance with the agreement between both parties	0%
3	Launch Technologies Co., Ltd.	ADVANCED INTERNATIONAL MULTITECH (VIETNAM) CORPORATION LTD.	3	Other receivable	95,796	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" column 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 June 30, 2026

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	1,507,767	(\$ 37,836)	(\$ 37,459)	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	1,548,857	(9,227)	(8,041)	Note 1
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	1,129,869	38,189	38,189	
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	17,421	(5,646)	(899)	
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	-	(23,604)	-	

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 June 30, 2026

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	(\$ 37,836)	100	(\$ 37,836)	\$ 1,508,653	\$ 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	-	-	-	-	584	25	146	3,712	-	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 region
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		Investment amount approved by the MOEAIC	Upper limit on investment authorized by the MOEAIC
	Taiwan, end of the period			
Advanced International Multitech Co., Ltd.	\$ 149,434	\$ 145,777	\$ 4,604,957	

(Note 6, Note 7, Note 8)

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 31.85 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 June 30, 2026

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				
	Amount	%	Amount	%	Balance	%	Balance, end of the period	Purpose	Highest Balance	Balance, end of the period	Range of Interest Rates	Interest Rate, current period	Others
Advanced Sporting Goods (Dongguan) Co., Ltd.	(\$ 1,925,168)	36%	\$ -	-	(\$ 805,177)	64%	\$ -	-	\$ -	\$ -	-	\$ -	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 June 30, 2026 was \$235,371.