

# **Alltek Technology Corp. and Subsidiaries**

**Consolidated Financial Statements for the  
Six Months Ended June 30, 2026 and 2025 and  
Independent Auditors' Review Report**

## **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Shareholders  
Alltek Technology Corp.

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of Alltek Technology Corp. and its subsidiaries (collectively, the "Group") as of June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months ended June 30, 2026 and 2025 and for the six months ended June 30, 2026 and 2025, the consolidated statements of changes in equity and cash flows for the six months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". 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 disclosed in Notes 11 and 12 to the consolidated financial statements, the financial statements of some subsidiaries and associates included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of June 30, 2026 and 2025, combined total assets of these subsidiaries were NT\$2,423,031 thousand and NT\$1,363,551 thousand, respectively, representing 11% and 9%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were NT\$1,000,874 thousand and NT\$501,884 thousand, respectively, representing 6% and 4% respectively, of the consolidated total liabilities; for the three months ended June 30, 2026 and 2025, the amounts of combined comprehensive income of these subsidiaries were NT\$36,619 thousand and NT\$(51,436) thousand, representing 9% and 9%, respectively, for the six months ended June 30, 2026 and 2025, the amounts of combined comprehensive income of these subsidiaries were NT\$27,668 thousand and NT\$(54,200) thousand, representing 3% and 18%, respectively, of the consolidated total comprehensive income. As of June 30, 2026 and 2025, the investments accounted for using the equity method were NT\$522,635 thousand and NT\$484,559 thousand, respectively; for the three months ended June 30, 2026 and 2025, the share of

comprehensive income of associates accounted for using equity method was NT\$19,871 thousand and NT\$(7,332) thousand, respectively; for the six months ended June 30, 2026 and 2025, the share of comprehensive income of associates accounted for using equity method was NT\$39,020 thousand and NT\$10,134 thousand, respectively.

### **Qualified Conclusion**

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of the subsidiaries and associates as described in the preceding paragraph been reviewed, 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 the Group as of June 30, 2026 and 2025, and its consolidated financial performance for the three months ended June 30, 2026 and 2025, and its consolidated financial performance and its consolidated cash flows for the six months 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.

The engagement partners on the reviews resulting in this independent auditors' review report are Ming-Hsien Liu and Chia-Ming Chang.

Ming-Hsien Liu Chia-ming Chang

Deloitte & Touche  
Taipei, Taiwan  
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August 12, 2026

### Notice to Readers

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

*For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.*

# ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

| ASSETS                                                                                     | June 30, 2026 |     | December 31, 2025 |     | June 30, 2025 |     |
|--------------------------------------------------------------------------------------------|---------------|-----|-------------------|-----|---------------|-----|
|                                                                                            | Amount        | %   | Amount            | %   | Amount        | %   |
| CURRENT ASSETS                                                                             |               |     |                   |     |               |     |
| Cash and cash equivalents (Note 6)                                                         | \$ 1,388,359  | 6   | \$ 2,831,935      | 17  | \$ 2,280,199  | 15  |
| Financial assets at fair value through profit or loss - current (Note 7)                   | 19,725        | -   | 18,025            | -   | 21,450        | -   |
| Financial assets at amortized cost - current (Notes 8 and 28)                              | 25,576        | -   | 17,000            | -   | -             | -   |
| Notes receivable, net (Note 9)                                                             | 105,294       | -   | 44,505            | -   | 55,225        | -   |
| Trade receivables, net (Notes 9 and 26)                                                    | 10,335,609    | 45  | 9,031,109         | 52  | 7,483,091     | 47  |
| Other receivables (Note 9)                                                                 | 1,545,028     | 7   | 328,742           | 2   | 1,155,497     | 7   |
| Inventories (Note 10)                                                                      | 6,838,187     | 30  | 2,971,309         | 17  | 2,721,463     | 17  |
| Other current assets                                                                       | 817,410       | 4   | 88,449            | 1   | 68,309        | 1   |
| Total current assets                                                                       | 21,075,188    | 92  | 15,331,074        | 89  | 13,785,234    | 87  |
| NON-CURRENT ASSETS                                                                         |               |     |                   |     |               |     |
| Financial assets at fair value through profit or loss - non-current (Note 7)               | 110,065       | -   | 108,613           | 1   | 87,562        | 1   |
| Investments accounted for using the equity method (Note 12)                                | 522,635       | 2   | 521,165           | 3   | 484,559       | 3   |
| Property, plant and equipment (Notes 13 and 28)                                            | 1,055,375     | 5   | 1,065,903         | 6   | 1,074,687     | 7   |
| Right-of-use assets (Notes 14 and 27)                                                      | 45,816        | -   | 69,922            | -   | 91,507        | 1   |
| Intangible assets                                                                          | 2,282         | -   | 2,634             | -   | 673           | -   |
| Deferred tax assets (Note 4)                                                               | 118,776       | 1   | 124,025           | 1   | 213,192       | 1   |
| Other non-current assets                                                                   | 43,800        | -   | 37,727            | -   | 48,109        | -   |
| Total non-current assets                                                                   | 1,898,749     | 8   | 1,929,989         | 11  | 2,000,289     | 13  |
| TOTAL                                                                                      | \$ 22,973,937 | 100 | \$ 17,261,063     | 100 | \$ 15,785,523 | 100 |
| LIABILITIES AND EQUITY                                                                     |               |     |                   |     |               |     |
| CURRENT LIABILITIES                                                                        |               |     |                   |     |               |     |
| Short-term borrowings (Notes 15 and 30)                                                    | \$ 3,035,750  | 13  | \$ 2,742,005      | 16  | \$ 1,868,000  | 12  |
| Short-term bills payable (Note 15)                                                         | 580,000       | 3   | 2,150,000         | 13  | 2,260,000     | 14  |
| Contract liabilities (Note 20)                                                             | 1,399,284     | 6   | 519,615           | 3   | 405,740       | 3   |
| Notes payable, net                                                                         | 2,477         | -   | 7,382             | -   | 8,158         | -   |
| Trade payables, net                                                                        | 7,374,966     | 32  | 4,237,466         | 25  | 3,987,159     | 25  |
| Other payables (Notes 17 and 27)                                                           | 1,199,524     | 5   | 528,886           | 3   | 1,110,595     | 7   |
| Current tax liabilities (Note 4)                                                           | 464,202       | 2   | 196,395           | 1   | 184,805       | 1   |
| Lease liabilities - current (Notes 14 and 27)                                              | 29,326        | -   | 44,399            | -   | 54,991        | -   |
| Current portion of long-term borrowings and bonds payable (Notes 15, 16 and 30)            | 33,838        | -   | 29,641            | -   | 41,472        | -   |
| Other current liabilities (Note 17)                                                        | 325,418       | 2   | 181,767           | 1   | 242,807       | 2   |
| Total current liabilities                                                                  | 14,444,785    | 63  | 10,637,556        | 62  | 10,163,727    | 64  |
| NON-CURRENT LIABILITIES                                                                    |               |     |                   |     |               |     |
| Long-term borrowings (Notes 15 and 30)                                                     | 1,835,546     | 8   | 456,720           | 3   | 475,076       | 3   |
| Deferred tax liabilities (Note 4)                                                          | 666,474       | 3   | 614,783           | 3   | 481,616       | 3   |
| Lease liabilities - non-current (Notes 14 and 27)                                          | 21,454        | -   | 28,709            | -   | 39,486        | 1   |
| Net defined benefit liabilities - non-current (Notes 4 and 18)                             | 15,749        | -   | 16,929            | -   | 15,480        | -   |
| Other non-current liabilities                                                              | 151,049       | 1   | 2,897             | -   | 4,518         | -   |
| Total non-current liabilities                                                              | 2,690,272     | 12  | 1,120,038         | 6   | 1,016,176     | 7   |
| Total liabilities                                                                          | 17,135,057    | 75  | 11,757,594        | 68  | 11,179,903    | 71  |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY                                               |               |     |                   |     |               |     |
| Share capital                                                                              |               |     |                   |     |               |     |
| Ordinary shares                                                                            | 2,353,912     | 10  | 2,353,912         | 14  | 2,349,742     | 15  |
| Share dividends to be distributed                                                          | 117,696       | 1   | -                 | -   | -             | -   |
| Total share capital                                                                        | 2,471,608     | 11  | 2,353,912         | 14  | 2,349,742     | 15  |
| Capital surplus                                                                            | 867,164       | 4   | 864,915           | 5   | 848,684       | 6   |
| Retained earnings                                                                          |               |     |                   |     |               |     |
| Legal reserve                                                                              | 781,246       | 3   | 710,552           | 4   | 710,552       | 4   |
| Unappropriated earnings                                                                    | 1,352,167     | 6   | 1,240,068         | 7   | 603,410       | 4   |
| Total retained earnings                                                                    | 2,133,413     | 9   | 1,950,620         | 11  | 1,313,962     | 8   |
| Other equity                                                                               |               |     |                   |     |               |     |
| Exchange differences on translating the financial statements of foreign operations         | 176,934       | -   | 130,198           | 1   | (97,018)      | (1) |
| Unrealized gains or losses on investments at fair value through other comprehensive income | (10,004)      | -   | (10,004)          | -   | (10,004)      | -   |
| Total other equity                                                                         | 166,930       | -   | 120,194           | 1   | (107,022)     | (1) |
| Total equity attributable to owners of the Company                                         | 5,639,115     | 24  | 5,289,641         | 31  | 4,405,366     | 28  |
| NON-CONTROLLING INTERESTS                                                                  | 199,765       | 1   | 213,828           | 1   | 200,254       | 1   |
| Total equity (Note 19)                                                                     | 5,838,880     | 25  | 5,503,469         | 32  | 4,605,620     | 29  |
| TOTAL                                                                                      | \$ 22,973,937 | 100 | \$ 17,261,063     | 100 | \$ 15,785,523 | 100 |

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

# ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

|                                                                  | For the Three Months Ended June 30 |             |                    |             | For the Six Months Ended June 30 |             |                     |             |
|------------------------------------------------------------------|------------------------------------|-------------|--------------------|-------------|----------------------------------|-------------|---------------------|-------------|
|                                                                  | 2026                               |             | 2025               |             | 2026                             |             | 2025                |             |
|                                                                  | Amount                             | %           | Amount             | %           | Amount                           | %           | Amount              | %           |
| OPERATING REVENUE<br>(Note 20)                                   | \$ 17,264,307                      | 100         | \$ 9,417,934       | 100         | \$ 34,331,720                    | 100         | \$ 23,782,932       | 100         |
| OPERATING COSTS (Notes 10<br>and 21)                             | <u>(16,366,129)</u>                | <u>(95)</u> | <u>(8,783,623)</u> | <u>(94)</u> | <u>(32,575,391)</u>              | <u>(95)</u> | <u>(22,515,739)</u> | <u>(94)</u> |
| GROSS PROFIT                                                     | <u>898,178</u>                     | <u>5</u>    | <u>634,311</u>     | <u>6</u>    | <u>1,756,329</u>                 | <u>5</u>    | <u>1,267,193</u>    | <u>6</u>    |
| OPERATING EXPENSES<br>(Notes 21 and 27)                          |                                    |             |                    |             |                                  |             |                     |             |
| Selling and marketing expenses                                   | (163,788)                          | (1)         | (145,052)          | (2)         | (315,807)                        | (1)         | (327,312)           | (2)         |
| General and administrative<br>expenses                           | (175,748)                          | (1)         | (90,119)           | (1)         | (355,906)                        | (1)         | (253,600)           | (1)         |
| Research and development<br>expenses                             | (31,815)                           | -           | (35,368)           | -           | (66,521)                         | -           | (71,078)            | -           |
| Expected credit loss                                             | <u>-</u>                           | <u>-</u>    | <u>(6,880)</u>     | <u>-</u>    | <u>(4,297)</u>                   | <u>-</u>    | <u>(11,641)</u>     | <u>-</u>    |
| Total operating expenses                                         | <u>(371,351)</u>                   | <u>(2)</u>  | <u>(277,419)</u>   | <u>(3)</u>  | <u>(742,531)</u>                 | <u>(2)</u>  | <u>(663,631)</u>    | <u>(3)</u>  |
| PROFIT FROM OPERATIONS                                           | <u>526,827</u>                     | <u>3</u>    | <u>356,892</u>     | <u>3</u>    | <u>1,013,798</u>                 | <u>3</u>    | <u>603,562</u>      | <u>3</u>    |
| NON-OPERATING INCOME<br>AND EXPENSES                             |                                    |             |                    |             |                                  |             |                     |             |
| Interest income (Note 21)                                        | 33,208                             | -           | 18,873             | -           | 53,775                           | -           | 21,012              | -           |
| Other income (Note 21)                                           | 8,533                              | -           | 15,199             | -           | 13,117                           | -           | 24,545              | -           |
| Other gains and losses<br>(Note 21)                              | 7,447                              | -           | (495,498)          | (5)         | 57,114                           | -           | (442,274)           | (2)         |
| Finance costs (Notes 21<br>and 27)                               | (40,974)                           | -           | (27,450)           | -           | (67,253)                         | -           | (67,322)            | -           |
| Share of profit or loss of<br>associates (Note 12)               | <u>20,492</u>                      | <u>-</u>    | <u>506</u>         | <u>-</u>    | <u>39,435</u>                    | <u>-</u>    | <u>17,139</u>       | <u>-</u>    |
| Total non-operating<br>income and expenses                       | <u>28,706</u>                      | <u>-</u>    | <u>(488,370)</u>   | <u>(5)</u>  | <u>96,188</u>                    | <u>-</u>    | <u>(446,900)</u>    | <u>(2)</u>  |
| PROFIT (LOSS) BEFORE<br>INCOME TAX FROM<br>CONTINUING OPERATIONS | 555,533                            | 3           | (131,478)          | (2)         | 1,109,986                        | 3           | 156,662             | 1           |
| INCOME TAX EXPENSE<br>(Notes 4 and 22)                           | <u>(141,990)</u>                   | <u>(1)</u>  | <u>(28,818)</u>    | <u>-</u>    | <u>(344,111)</u>                 | <u>(1)</u>  | <u>(98,356)</u>     | <u>(1)</u>  |
| NET PROFIT (LOSS) FOR THE<br>PERIOD                              | <u>413,543</u>                     | <u>2</u>    | <u>(160,296)</u>   | <u>(2)</u>  | <u>765,875</u>                   | <u>2</u>    | <u>58,306</u>       | <u>-</u>    |

(Continued)

# ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

|                                                                                             | For the Three Months Ended June 30 |          |                     |            | For the Six Months Ended June 30 |          |                     |            |
|---------------------------------------------------------------------------------------------|------------------------------------|----------|---------------------|------------|----------------------------------|----------|---------------------|------------|
|                                                                                             | 2026                               |          | 2025                |            | 2026                             |          | 2025                |            |
|                                                                                             | Amount                             | %        | Amount              | %          | Amount                           | %        | Amount              | %          |
| OTHER COMPREHENSIVE INCOME (LOSS)                                                           |                                    |          |                     |            |                                  |          |                     |            |
| Items that may be reclassified subsequently to loss:                                        |                                    |          |                     |            |                                  |          |                     |            |
| Exchange differences on translating the financial statements of foreign operations          | \$ (20,659)                        | -        | \$ (492,326)        | (5)        | \$ 58,594                        | -        | \$ (440,988)        | (2)        |
| Share of the other comprehensive income of associates accounted for using the equity method | (776)                              | -        | (9,797)             | -          | (519)                            | -        | (8,756)             | -          |
| Income tax relating to items that may be reclassified subsequently to profit or loss        | 4,784                              | -        | 104,396             | 1          | (11,339)                         | -        | 93,537              | 1          |
| Other comprehensive (loss) income for the period, net of income tax                         | (16,651)                           | -        | (397,727)           | (4)        | 46,736                           | -        | (356,207)           | (1)        |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD                                                   | <u>\$ 396,892</u>                  | <u>2</u> | <u>\$ (558,023)</u> | <u>(6)</u> | <u>\$ 812,611</u>                | <u>2</u> | <u>\$ (297,901)</u> | <u>(1)</u> |
| NET PROFIT (LOSS) ATTRIBUTABLE TO:                                                          |                                    |          |                     |            |                                  |          |                     |            |
| Owners of the Company                                                                       | \$ 413,039                         | 2        | \$ (151,154)        | (2)        | \$ 771,271                       | 2        | \$ 70,284           | -          |
| Non-controlling interests                                                                   | 504                                | -        | (9,142)             | -          | (5,396)                          | -        | (11,978)            | -          |
|                                                                                             | <u>\$ 413,543</u>                  | <u>2</u> | <u>\$ (160,296)</u> | <u>(2)</u> | <u>\$ 765,875</u>                | <u>2</u> | <u>\$ 58,306</u>    | <u>-</u>   |
| TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:                                                 |                                    |          |                     |            |                                  |          |                     |            |
| Owners of the Company                                                                       | \$ 396,388                         | 2        | \$ (548,881)        | (6)        | \$ 818,007                       | 2        | \$ (285,923)        | (1)        |
| Non-controlling interests                                                                   | 504                                | -        | (9,142)             | -          | (5,396)                          | -        | (11,978)            | -          |
|                                                                                             | <u>\$ 396,892</u>                  | <u>2</u> | <u>\$ (558,023)</u> | <u>(6)</u> | <u>\$ 812,611</u>                | <u>2</u> | <u>\$ (297,901)</u> | <u>(1)</u> |
| EARNINGS (LOSS) PER SHARE (Note 23)                                                         |                                    |          |                     |            |                                  |          |                     |            |
| Basic                                                                                       | <u>\$ 1.75</u>                     |          | <u>\$ (0.64)</u>    |            | <u>\$ 3.28</u>                   |          | <u>\$ 0.30</u>      |            |
| Diluted                                                                                     | <u>\$ 1.75</u>                     |          | <u>\$ (0.64)</u>    |            | <u>\$ 3.25</u>                   |          | <u>\$ 0.30</u>      |            |

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

(Concluded)

ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
(In Thousands of New Taiwan Dollars)

|                                                                                      | Equity Attributable to Owners of the Company |                                   |                           |                   |                         |                                                                                    | Other Equity                                                                                           |                     | Total             | Non-controlling Interests (Note 19) | Total Equity |
|--------------------------------------------------------------------------------------|----------------------------------------------|-----------------------------------|---------------------------|-------------------|-------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|---------------------|-------------------|-------------------------------------|--------------|
|                                                                                      | Share Capital                                |                                   | Capital Surplus (Note 19) | Retained Earnings |                         | Exchange Differences on Translating the Financial Statements of Foreign Operations | Unrealized Valuation Gain or Loss on Financial Assets at Fair Value Through Other Comprehensive Income |                     |                   |                                     |              |
|                                                                                      | Ordinary Shares                              | Share Dividends to Be Distributed |                           | Legal Reserve     | Unappropriated Earnings |                                                                                    |                                                                                                        |                     |                   |                                     |              |
| BALANCE ON JANUARY 1, 2025                                                           | \$ 2,330,449                                 | \$ -                              | \$ 857,990                | \$ 639,978        | \$ 1,141,751            | \$ 259,189                                                                         | \$ (10,004)                                                                                            | \$ 5,219,353        | \$ 237,751        | \$ 5,457,104                        |              |
| Appropriation of 2024 earnings                                                       |                                              |                                   |                           |                   |                         |                                                                                    |                                                                                                        |                     |                   |                                     |              |
| Legal reserve                                                                        | -                                            | -                                 | -                         | 70,574            | (70,574)                | -                                                                                  | -                                                                                                      | -                   | -                 | -                                   |              |
| Cash dividends distributed by the Company                                            | -                                            | -                                 | -                         | -                 | (538,051)               | -                                                                                  | -                                                                                                      | (538,051)           | -                 | (538,051)                           |              |
| Capital reserve distributed cash dividend                                            | -                                            | -                                 | (46,787)                  | -                 | -                       | -                                                                                  | -                                                                                                      | (46,787)            | -                 | (46,787)                            |              |
| Conversion of convertible corporate bonds                                            | 19,293                                       | -                                 | 35,170                    | -                 | -                       | -                                                                                  | -                                                                                                      | 54,463              | -                 | 54,463                              |              |
| Cash dividends distributed by the subsidiaries                                       | -                                            | -                                 | -                         | -                 | -                       | -                                                                                  | -                                                                                                      | -                   | (29,412)          | (29,412)                            |              |
| Share-based payments by the subsidiaries                                             | -                                            | -                                 | -                         | -                 | -                       | -                                                                                  | -                                                                                                      | -                   | 6,204             | 6,204                               |              |
| Net profit for the six months ended June 30, 2025                                    | -                                            | -                                 | -                         | -                 | 70,284                  | -                                                                                  | -                                                                                                      | 70,284              | (11,978)          | 58,306                              |              |
| Other comprehensive loss for the six months ended June 30, 2025, net of income tax   | -                                            | -                                 | -                         | -                 | -                       | (356,207)                                                                          | -                                                                                                      | (356,207)           | -                 | (356,207)                           |              |
| Total comprehensive income (loss) for the six months ended June 30, 2025             | -                                            | -                                 | -                         | -                 | 70,284                  | (356,207)                                                                          | -                                                                                                      | (285,923)           | (11,978)          | (297,901)                           |              |
| Changes in percentage of ownership interests in subsidiaries                         | -                                            | -                                 | 2,311                     | -                 | -                       | -                                                                                  | -                                                                                                      | 2,311               | (2,311)           | -                                   |              |
| BALANCE ON JUNE 30, 2025                                                             | <u>\$ 2,349,742</u>                          | <u>\$ -</u>                       | <u>\$ 848,684</u>         | <u>\$ 710,552</u> | <u>\$ 603,410</u>       | <u>\$ (97,018)</u>                                                                 | <u>\$ (10,004)</u>                                                                                     | <u>\$ 4,405,366</u> | <u>\$ 200,254</u> | <u>\$ 4,605,620</u>                 |              |
| BALANCE ON JANUARY 1, 2026                                                           | \$ 2,353,912                                 | \$ -                              | \$ 864,915                | \$ 710,552        | \$ 1,240,068            | \$ 130,198                                                                         | \$ (10,004)                                                                                            | \$ 5,289,641        | \$ 213,828        | \$ 5,503,469                        |              |
| Appropriation of 2025 earnings                                                       |                                              |                                   |                           |                   |                         |                                                                                    |                                                                                                        |                     |                   |                                     |              |
| Legal reserve                                                                        | -                                            | -                                 | -                         | 70,694            | (70,694)                | -                                                                                  | -                                                                                                      | -                   | -                 | -                                   |              |
| Cash dividends distributed by the Company                                            | -                                            | -                                 | -                         | -                 | (470,782)               | -                                                                                  | -                                                                                                      | (470,782)           | -                 | (470,782)                           |              |
| Share dividends distributed by the Company                                           | -                                            | 117,696                           | -                         | -                 | (117,696)               | -                                                                                  | -                                                                                                      | -                   | -                 | -                                   |              |
| Cash dividends to shareholders of subsidiaries                                       | -                                            | -                                 | -                         | -                 | -                       | -                                                                                  | -                                                                                                      | -                   | (11,765)          | (11,765)                            |              |
| Share-based payments by the subsidiaries                                             | -                                            | -                                 | -                         | -                 | -                       | -                                                                                  | -                                                                                                      | -                   | 6,204             | 6,204                               |              |
| Net profit for the six months ended June 30, 2026                                    | -                                            | -                                 | -                         | -                 | 771,271                 | -                                                                                  | -                                                                                                      | 771,271             | (5,396)           | 765,875                             |              |
| Other comprehensive income for the six months ended June 30, 2026, net of income tax | -                                            | -                                 | -                         | -                 | -                       | 46,736                                                                             | -                                                                                                      | 46,736              | -                 | 46,736                              |              |
| Total comprehensive income (loss) for the six months ended June 30, 2026             | -                                            | -                                 | -                         | -                 | 771,271                 | 46,736                                                                             | -                                                                                                      | 818,007             | (5,396)           | 812,611                             |              |
| Changes in percentage of ownership interests in subsidiaries                         | -                                            | -                                 | 2,249                     | -                 | -                       | -                                                                                  | -                                                                                                      | 2,249               | (3,106)           | (857)                               |              |
| BALANCE ON JUNE 30, 2026                                                             | <u>\$ 2,353,912</u>                          | <u>\$ 117,696</u>                 | <u>\$ 867,164</u>         | <u>\$ 781,246</u> | <u>\$ 1,352,167</u>     | <u>\$ 176,934</u>                                                                  | <u>\$ (10,004)</u>                                                                                     | <u>\$ 5,639,115</u> | <u>\$ 199,765</u> | <u>\$ 5,838,880</u>                 |              |

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

# ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

|                                                                                                | For the Six Months Ended<br>June 30 |             |
|------------------------------------------------------------------------------------------------|-------------------------------------|-------------|
|                                                                                                | 2026                                | 2025        |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                    |                                     |             |
| Income before income tax                                                                       | \$ 1,109,986                        | \$ 156,662  |
| Adjustments for:                                                                               |                                     |             |
| Depreciation expense                                                                           | 40,926                              | 46,148      |
| Amortization                                                                                   | 352                                 | 184         |
| Expected credit loss recognized on trade receivables                                           | 4,297                               | 11,641      |
| Finance costs                                                                                  | 67,253                              | 67,322      |
| Net (gain) loss on fair value changes of financial assets at fair value through profit or loss | (3,152)                             | 13,175      |
| Interest income                                                                                | (53,775)                            | (21,012)    |
| Share-based compensation                                                                       | 6,204                               | 6,204       |
| Share of profit of associates                                                                  | (39,435)                            | (17,139)    |
| Gain on disposal of property, plant and equipment                                              | 11                                  | (1)         |
| Loss on disposal and write-down of inventories                                                 | 10,988                              | 30,261      |
| Net loss on foreign currency exchange                                                          | 132,956                             | 391,628     |
| Gain on lease modification                                                                     | (177)                               | -           |
| Changes in operating assets and liabilities                                                    |                                     |             |
| Notes receivable                                                                               | (60,789)                            | (44,727)    |
| Trade receivables                                                                              | (1,411,850)                         | (1,033,041) |
| Other receivables                                                                              | (1,209,363)                         | (63,224)    |
| Inventories                                                                                    | (3,885,462)                         | 4,365,085   |
| Other current assets                                                                           | (729,248)                           | 2,367       |
| Financial assets at amortized cost - current                                                   | (8,576)                             | 15,303      |
| Contract liabilities                                                                           | 879,669                             | 104,088     |
| Notes payable                                                                                  | (4,905)                             | 4,095       |
| Trade payables                                                                                 | 3,109,812                           | 369,974     |
| Other payables                                                                                 | 181,783                             | 41,164      |
| Other current liabilities                                                                      | 142,847                             | 49,061      |
| Net defined benefit liabilities - non-current                                                  | (1,180)                             | (1,367)     |
| Other non-current liabilities                                                                  | (951)                               | (476)       |
| Cash generated from operations                                                                 | (1,721,779)                         | 4,493,375   |
| Interest received                                                                              | 53,775                              | 21,012      |
| Interest paid                                                                                  | (60,042)                            | (67,399)    |
| Income tax paid                                                                                | (32,181)                            | (77,292)    |
| Net cash (used in) generated from operating activities                                         | (1,760,227)                         | 4,369,696   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                                    |                                     |             |
| Proceeds from sale of financial assets at fair value through comprehensive income              | -                                   | 24,490      |
| Payments for property, plant and equipment                                                     | (1,329)                             | (6,729)     |
| Proceeds from disposal of property, plant and equipment                                        | -                                   | 12          |

(Continued)

# ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

|                                                                                               | For the Six Months Ended<br>June 30 |                     |
|-----------------------------------------------------------------------------------------------|-------------------------------------|---------------------|
|                                                                                               | 2026                                | 2025                |
| Increase in refundable deposits                                                               | \$ (5,742)                          | \$ (14,867)         |
| Increase in prepayments for equipment                                                         | (44)                                | -                   |
| Dividends received                                                                            | <u>30,523</u>                       | <u>30,524</u>       |
| Net cash generated from investing activities                                                  | <u>23,408</u>                       | <u>33,430</u>       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                                   |                                     |                     |
| Proceeds from short-term borrowings                                                           | 8,772,700                           | 10,157,151          |
| Repayments of short-term borrowings                                                           | (8,479,853)                         | (10,948,275)        |
| Proceeds from short-term bills payable                                                        | -                                   | 490,000             |
| Repayments of short-term bills payable                                                        | (1,570,000)                         | -                   |
| Proceeds from long-term borrowings                                                            | 1,795,933                           | 11,060              |
| Prepayment for long-term borrowings                                                           | (412,910)                           | (1,990,490)         |
| Prepayments of the principal portion of lease liabilities                                     | (28,221)                            | (35,499)            |
| Proceeds from guarantee deposits received                                                     | 149,103                             | 162                 |
| Acquisition of ownership interests in subsidiaries                                            | <u>(857)</u>                        | <u>-</u>            |
| Net cash generated from (used in) financing activities                                        | <u>225,895</u>                      | <u>(2,315,891)</u>  |
| <b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE<br/>OF CASH HELD IN FOREIGN CURRENCIES</b> | <u>67,348</u>                       | <u>(556,092)</u>    |
| <b>NET (DECREASE) INCREASE IN CASH AND CASH<br/>EQUIVALENTS</b>                               | <u>(1,443,576)</u>                  | <u>1,531,143</u>    |
| <b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE<br/>PERIOD</b>                           | <u>2,831,935</u>                    | <u>749,056</u>      |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>                                     | <u>\$ 1,388,359</u>                 | <u>\$ 2,280,199</u> |

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

(Concluded)

# **ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

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### **1. GENERAL INFORMATION**

Alltek Technology Corp. (the “Company”) was incorporated in April 1991 as a company limited by shares under the Company Law of the Republic of China (ROC). The Company mainly business operations:

- a. Telecommunications equipment, computer peripherals, and trading in electronic components and test equipment (other than licensing business).
- b. Technology transfer of related products above.
- c. Trading and import and export of radio equipment.
- d. Import and export trade of related products.
- e. Acting as the agent for the relevant products and tendering business of domestic and foreign manufacturers.

The Company’s shares have been traded on Taipei Exchange, formerly known as the GreTai Securities Market since March 2004. In November 2008, the Company’s shares have been listed on the Taiwan Stock Exchange (TWSE).

The functional currency of the Company is the New Taiwan dollar. The consolidated financial statements are presented in the New Taiwan dollar.

### **2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS**

The accompanying consolidated financial statements were approved by the Company’s board of directors on August 12, 2026.

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

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

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2027

| <b>New, Amended and Revised Standards and Interpretations</b>                                                   | <b>Effective Date<br/>Announced by IASB</b> |
|-----------------------------------------------------------------------------------------------------------------|---------------------------------------------|
| IFRS 18 “Presentation and Disclosure in Financial Statements”                                                   | January 1, 2027 (Note 1)                    |
| IFRS 19 “Subsidiaries without Public Accountability: Disclosures”<br>(including the 2025 amendments to IFRS 19) | January 1, 2027                             |
| Amendments to IAS 21 “Translation to a Hyperinflationary<br>Presentation Currency”                              | January 1, 2027                             |
| Amendments to IAS 28 “Amendments to the Fair Value Option for<br>Investments in Associates and Joint Ventures”  | January 1, 2027 (Note 2)                    |

Note 1: IFRS 18 will take effect starting from January 1, 2028 for domestic entities. Earlier application is permitted.

Note 2: An entity shall apply the amendments when it applies IFRS 18.

IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments and  
Amendments to IAS 28 “Amendments to the Fair Value Option for Investments in Associates and  
Joint Ventures”

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

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

At the date of initial application of IFRS 18, an entity that is a venture capital organization, mutual fund, unit trust or similar entity is permitted to change its election from measuring an investment in an associate or joint venture from the equity method to fair value through profit or loss. The amendments to IAS 28 clarify that aforementioned “similar entity” includes the entity that performs the assessments in accordance with the requirements of IFRS 18 and concludes that it has a main business activity of investing in particular types of assets. If eligible, the Group may apply the transition upon initial application.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

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

The Group has decided not to apply IFRS 18 and consequential amendments earlier.

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

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

| <b><u>New, Amended and Revised Standards and Interpretations</u></b>                                                     | <b><u>Effective Date<br/>Announced by IASB (Note)</u></b> |
|--------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture” | To be determined by IASB                                  |
| IFRS 20 “Regulatory Assets and Regulatory Liabilities”                                                                   | January 1, 2029                                           |

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

- 1) Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

The amendments stipulate that, when the Group sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when the Group loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Conversely, when the Group sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate or joint venture, i.e., the Group’s share of the gain or loss is eliminated. Also, when the Group loses control of a subsidiary that does not contain a business but retains significant influence or joint control over an associate or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate or joint venture, i.e., the Group’s share of the gain or loss is eliminated.

## 2) IFRS 20 “Regulatory Assets and Regulatory Liabilities”

IFRS 20, which supersedes IFRS 14 “Regulatory Deferral Accounts”, specifies that a regulatory asset (liability) represents an enforceable present right (obligation), created by a regulatory agreement, to add (deduct) an amount in determining a regulated rate to be charged to customers in future periods. At the end of the reporting period, if the Group concludes that it is more likely than not that qualifying regulatory assets or regulatory liabilities exist, the Group shall recognize and measure such regulatory assets or regulatory liabilities using a cash-flow-based measurement technique, with the corresponding regulatory income and regulatory expenses recognized in profit or loss.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the impacts of the above amended standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

## 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

### a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

### b. Basis of preparation

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

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

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

### c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries, including structured entities).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of financial assets at fair value through other comprehensive income/financial assets at fair value through profit or loss or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

See Note 11, Tables 7 and 8 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2025.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

## **5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

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

Material accounting judgments and key sources of estimation uncertainty used in the consolidated financial statements Refer to the 2025 annual consolidated financial statements.

## 6. CASH AND CASH EQUIVALENTS

|                                                                                   | June 30,<br>2026    | December 31,<br>2025 | June 30,<br>2025    |
|-----------------------------------------------------------------------------------|---------------------|----------------------|---------------------|
| Cash on hand                                                                      | \$ 568              | \$ 581               | \$ 645              |
| Checking accounts and demand deposits                                             | 918,086             | 2,707,544            | 2,200,278           |
| Cash equivalents (investments with original maturities of less than three months) |                     |                      |                     |
| Time deposits                                                                     | 460,150             | 123,810              | 79,276              |
| Bonds with repurchase agreements                                                  | <u>9,555</u>        | <u>-</u>             | <u>-</u>            |
|                                                                                   | <u>\$ 1,388,359</u> | <u>\$ 2,831,935</u>  | <u>\$ 2,280,199</u> |

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

|                                                     | June 30,<br>2026  | December 31,<br>2025 | June 30,<br>2025 |
|-----------------------------------------------------|-------------------|----------------------|------------------|
| <u>Financial assets at FVTPL - current</u>          |                   |                      |                  |
| Financial assets mandatorily classified as at FVTPL |                   |                      |                  |
| Non-derivative financial assets                     |                   |                      |                  |
| Domestic listed shares                              | <u>\$ 19,725</u>  | <u>\$ 18,025</u>     | <u>\$ 21,450</u> |
| <u>Financial assets at FVTPL - non-current</u>      |                   |                      |                  |
| Financial assets mandatorily classified as at FVTPL |                   |                      |                  |
| Non-derivative financial assets                     |                   |                      |                  |
| Foreign unlisted shares                             | <u>\$ 110,065</u> | <u>\$ 108,613</u>    | <u>\$ 87,562</u> |

## 8. FINANCIAL ASSETS AT AMORTIZED COST - CURRENT

|                       | June 30,<br>2026 | December 31,<br>2025 | June 30,<br>2025 |
|-----------------------|------------------|----------------------|------------------|
| Pledged bank deposits | <u>\$ 25,576</u> | <u>\$ 17,000</u>     | <u>\$ -</u>      |

Refer to Note 28 for information relating to other financial assets pledged as security.

## 9. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

|                                                                           | June 30,<br>2026     | December 31,<br>2025 | June 30,<br>2025    |
|---------------------------------------------------------------------------|----------------------|----------------------|---------------------|
| <u>Notes receivable</u>                                                   |                      |                      |                     |
| At amortized cost                                                         |                      |                      |                     |
| Gross carrying amount                                                     | \$ 105,294           | \$ 44,505            | \$ 55,225           |
| Less: Allowance for impairment loss                                       | <u>-</u>             | <u>-</u>             | <u>-</u>            |
|                                                                           | <u>\$ 105,294</u>    | <u>\$ 44,505</u>     | <u>\$ 55,225</u>    |
| Notes receivable - operating                                              | \$ 97,985            | \$ 37,196            | \$ 55,225           |
| Notes receivable - non-operating                                          | <u>7,309</u>         | <u>7,309</u>         | <u>-</u>            |
|                                                                           | <u>\$ 105,294</u>    | <u>\$ 44,505</u>     | <u>\$ 55,225</u>    |
| <u>Trade receivables</u>                                                  |                      |                      |                     |
| At amortized cost                                                         |                      |                      |                     |
| Gross carrying amount                                                     | \$ 6,335,162         | \$ 4,378,304         | \$ 6,068,666        |
| Less: Allowance for impairment loss                                       | <u>(34,388)</u>      | <u>(29,795)</u>      | <u>(31,835)</u>     |
|                                                                           | 6,300,774            | 4,348,509            | 6,036,831           |
| At FVTOCI                                                                 | <u>4,034,835</u>     | <u>4,682,600</u>     | <u>1,446,260</u>    |
|                                                                           | <u>\$ 10,335,609</u> | <u>\$ 9,031,109</u>  | <u>\$ 7,483,091</u> |
| <u>Other receivables</u>                                                  |                      |                      |                     |
| Factored trade receivables reclassified to other<br>receivables (Note 26) | \$ 1,473,366         | \$ 312,453           | \$ 1,096,350        |
| Business tax refund receivables                                           | 32,219               | 15,579               | 26,932              |
| Purchases returns or allowances receivable                                | 30,658               | 461                  | 24,861              |
| Others                                                                    | <u>1,862</u>         | <u>249</u>           | <u>1,816</u>        |
|                                                                           | <u>\$ 1,538,105</u>  | <u>\$ 328,742</u>    | <u>\$ 1,149,959</u> |
| <u>Other receivables from related parties</u>                             |                      |                      |                     |
| Associates                                                                | <u>\$ 6,923</u>      | <u>\$ -</u>          | <u>\$ 5,538</u>     |

### Trade Receivables

#### a. At amortized cost

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the GDP forecasts and industry outlook. As the Group's historical credit loss experience does show significantly different loss patterns for different customer segments, the Group uses different provision matrixes based on customer segments by geographical region, and determines the expected credit loss rate by reference to past due days of accounts receivable and regional economic conditions.

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

The following table details the loss allowance of trade receivables at amortized cost based on the Group's provision matrix.

June 30, 2026

|                                | <b>Not Past Due</b> | <b>1 to 120 Days</b> | <b>Over 121 Days</b> | <b>Total</b>        |
|--------------------------------|---------------------|----------------------|----------------------|---------------------|
| Expected credit loss rate      | 0%-1.37%            | 0%-68.75%            | 0%-100%              |                     |
| Gross carrying amount          | \$ 6,249,815        | \$ 188,351           | \$ 2,290             | \$ 6,440,456        |
| Loss allowance (Lifetime ECLs) | <u>(29,853)</u>     | <u>(3,456)</u>       | <u>(1,079)</u>       | <u>(34,388)</u>     |
| Amortized cost                 | <u>\$ 6,219,962</u> | <u>\$ 184,895</u>    | <u>\$ 1,211</u>      | <u>\$ 6,406,068</u> |

December 31, 2025

|                                | <b>Not Past Due</b> | <b>1 to 120 Days</b> | <b>Over 121 Days</b> | <b>Total</b>        |
|--------------------------------|---------------------|----------------------|----------------------|---------------------|
| Expected credit loss rate      | 0%-0.91%            | 0%-25.04%            | 0%-100%              |                     |
| Gross carrying amount          | \$ 3,895,281        | \$ 523,442           | \$ 4,086             | \$ 4,422,809        |
| Loss allowance (Lifetime ECLs) | <u>(20,212)</u>     | <u>(7,830)</u>       | <u>(1,753)</u>       | <u>(29,795)</u>     |
| Amortized cost                 | <u>\$ 3,875,069</u> | <u>\$ 515,612</u>    | <u>\$ 2,333</u>      | <u>\$ 4,393,014</u> |

June 30, 2025

|                                | <b>Not Past Due</b> | <b>1 to 120 Days</b> | <b>Over 121 Days</b> | <b>Total</b>        |
|--------------------------------|---------------------|----------------------|----------------------|---------------------|
| Expected credit loss rate      | 0%-0.24%            | 0%-29.96%            | 0%-100%              |                     |
| Gross carrying amount          | \$ 4,764,016        | \$ 1,341,305         | \$ 18,570            | \$ 6,123,891        |
| Loss allowance (Lifetime ECLs) | <u>(8,737)</u>      | <u>(13,553)</u>      | <u>(9,545)</u>       | <u>(31,835)</u>     |
| Amortized cost                 | <u>\$ 4,755,279</u> | <u>\$ 1,327,752</u>  | <u>\$ 9,025</u>      | <u>\$ 6,092,056</u> |

The movements of the loss allowance of trade receivables were as follows:

|                                          | <b>For the Six Months Ended<br/>June 30</b> |                         |
|------------------------------------------|---------------------------------------------|-------------------------|
|                                          | <b>2026</b>                                 | <b>2025</b>             |
| Balance on January 1                     | \$ 29,795                                   | \$ 22,210               |
| Add: Net remeasurement of loss allowance | 4,297                                       | 11,641                  |
| Foreign exchange gains and losses        | <u>296</u>                                  | <u>(2,016)</u>          |
| Balance on June 30                       | <u><u>\$ 34,388</u></u>                     | <u><u>\$ 31,835</u></u> |

b. At FVTOCI

The Group will decide whether to sell these trade receivables to banks without recourse based on its level of working capital. These trade receivables are classified as at FVTOCI because they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

The following table details the loss allowance of trade receivables at FVTOCI based on the Group's provision matrix.

June 30, 2026

|                                | <b>Not Past Due</b>        | <b>1 to 120 Days</b> | <b>Over 121 Days</b> | <b>Total</b>               |
|--------------------------------|----------------------------|----------------------|----------------------|----------------------------|
| Expected credit loss rate      | 0%                         | 0%                   | 100%                 |                            |
| Gross carrying amount          | \$ 4,034,835               | \$ -                 | \$ -                 | \$ 4,034,835               |
| Loss allowance (Lifetime ECLs) | <u>-</u>                   | <u>-</u>             | <u>-</u>             | <u>-</u>                   |
| Cost at FVTOCI                 | <u><u>\$ 4,034,835</u></u> | <u><u>\$ -</u></u>   | <u><u>\$ -</u></u>   | <u><u>\$ 4,034,835</u></u> |

December 31, 2025

|                                | <b>Not Past Due</b>        | <b>1 to 120 Days</b> | <b>Over 121 Days</b> | <b>Total</b>               |
|--------------------------------|----------------------------|----------------------|----------------------|----------------------------|
| Expected credit loss rate      | 0%                         | 0%                   | 100%                 |                            |
| Gross carrying amount          | \$ 4,682,600               | \$ -                 | \$ -                 | \$ 4,682,600               |
| Loss allowance (Lifetime ECLs) | <u>-</u>                   | <u>-</u>             | <u>-</u>             | <u>-</u>                   |
| Cost at FVTOCI                 | <u><u>\$ 4,682,600</u></u> | <u><u>\$ -</u></u>   | <u><u>\$ -</u></u>   | <u><u>\$ 4,682,600</u></u> |

June 30, 2025

|                                | Not Past Due        | 1 to 120 Days | Over 121 Days | Total               |
|--------------------------------|---------------------|---------------|---------------|---------------------|
| Expected credit loss rate      | 0%                  | 0%            | 100%          |                     |
| Gross carrying amount          | \$ 1,446,260        | \$ -          | \$ -          | \$ 1,446,260        |
| Loss allowance (Lifetime ECLs) | <u>-</u>            | <u>-</u>      | <u>-</u>      | <u>-</u>            |
| Cost at FVTOCI                 | <u>\$ 1,446,260</u> | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ 1,446,260</u> |

## 10. INVENTORIES

|                  | June 30,<br>2026    | December 31,<br>2025 | June 30,<br>2025    |
|------------------|---------------------|----------------------|---------------------|
| Merchandise      | \$ 6,779,244        | \$ 2,914,131         | \$ 2,661,950        |
| Finished goods   | 13,482              | 10,137               | 13,253              |
| Work in progress | 18,659              | 22,540               | 15,480              |
| Raw materials    | <u>26,802</u>       | <u>24,501</u>        | <u>30,780</u>       |
|                  | <u>\$ 6,838,187</u> | <u>\$ 2,971,309</u>  | <u>\$ 2,721,463</u> |

The nature of the cost of goods sold is as follows:

|                                    | For the Three Months Ended<br>June 30 |                     | For the Six Months Ended<br>June 30 |                      |
|------------------------------------|---------------------------------------|---------------------|-------------------------------------|----------------------|
|                                    | 2026                                  | 2025                | 2026                                | 2025                 |
| Cost of inventories sold           | \$ 16,362,337                         | \$ 8,783,168        | \$ 32,559,748                       | \$ 22,484,654        |
| Inventory write-downs and disposal | -                                     | 8                   | 10,988                              | 30,261               |
| Others                             | <u>3,792</u>                          | <u>447</u>          | <u>4,655</u>                        | <u>824</u>           |
|                                    | <u>\$ 16,366,129</u>                  | <u>\$ 8,783,623</u> | <u>\$ 32,575,391</u>                | <u>\$ 22,515,739</u> |

## 11. SUBSIDIARIES

### a. Subsidiaries included in the consolidated financial statements

| Investor                | Investee                                | Nature of Activities                                     | Proportion of Ownership |                      |                  | Remark   |
|-------------------------|-----------------------------------------|----------------------------------------------------------|-------------------------|----------------------|------------------|----------|
|                         |                                         |                                                          | June 30,<br>2026        | December 31,<br>2025 | June 30,<br>2025 |          |
| Alltek Technology Corp. | Pantek Technology Corp.                 | Selling and marketing of communication components        | 100%                    | 100%                 | 100%             | -        |
| Alltek Technology Corp. | Alltek Marine Electronics Corp.         | Designing and manufacturing of high quality AIS products | 53%                     | 53%                  | 53%              | (Note 1) |
| Alltek Technology Corp. | Alltek Group Corp.                      | Investments                                              | 100%                    | 100%                 | 100%             | -        |
| Alltek Technology Corp. | Alltek Technology (H.K.) Limited        | Selling and marketing of communication components        | 100%                    | 100%                 | 100%             | (Note 1) |
| Alltek Technology Corp. | Alltek Technology (Singapore) Pte. Ltd. | Selling and marketing of communication components        | 100%                    | 100%                 | 40%              | -        |
| Alltek Technology Corp. | Alder Optomechanical Corp.              | Manufacturing and selling lighting equipment             | 52%                     | 51%                  | 51%              | (Note 2) |
| Alltek Group Corp.      | All Plus Co., Ltd.                      | Selling and marketing of communication components        | 100%                    | 100%                 | 100%             | -        |
| Alltek Group Corp.      | All Pan Co., Ltd.                       | Investments                                              | 100%                    | 100%                 | 100%             | -        |

(Continued)

| Investor                         | Investee                          | Nature of Activities                              | Proportion of Ownership |                      |                  | Remark |
|----------------------------------|-----------------------------------|---------------------------------------------------|-------------------------|----------------------|------------------|--------|
|                                  |                                   |                                                   | June 30,<br>2026        | December 31,<br>2025 | June 30,<br>2025 |        |
| All Pan Co., Ltd.                | YMY Co., Ltd.                     | Selling and marketing of communication components | 100%                    | 100%                 | 100%             | -      |
| Alltek Technology (H.K.) Limited | Alltek Technology (Shenzhen) Ltd. | Selling and marketing of communication components | 100%                    | 100%                 | 100%             | -      |
| Pantek Technology Corp.          | Pantek Global Corp.               | Selling and marketing of communication components | 100%                    | 100%                 | 100%             | -      |
| Pantek Global Corp.              | Pantek Trade (Shenzhen) Co., Ltd. | Selling and marketing of communication components | 100%                    | 100%                 | 100%             | -      |

(Concluded)

Note 1: Except for the financial statements of Alltek Technology (H.K.) Limited and Alltek Marine Electronics Corp. in 2026 and those of Alltek Group Corp., All Plus Co., Ltd., Alltek Technology (H.K.) Limited and Alltek Marine Electronics Corp. in 2025, which are material subsidiaries; others financial statements have not been reviewed.

Note 2: In May 2026, the Group acquired partial ownership stock in Alder Optomechanical Corp. for NT\$857 thousand, increasing its shareholding from 51% to 52%.

b. Subsidiaries excluded from the consolidated financial statements: None.

c. Details of subsidiaries that have material non-controlling interests: None.

## 12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

|                                                | June 30,<br>2026  | December 31,<br>2025 | June 30,<br>2025  |
|------------------------------------------------|-------------------|----------------------|-------------------|
| <u>Investments in associates</u>               |                   |                      |                   |
| Associates that are not individually material: |                   |                      |                   |
| Yuban Technology Co., Ltd.                     | \$ 377,045        | \$ 376,846           | \$ 344,028        |
| General Life Biotechnology Co., Ltd.           | <u>145,590</u>    | <u>144,319</u>       | <u>140,531</u>    |
|                                                | <u>\$ 522,635</u> | <u>\$ 521,165</u>    | <u>\$ 484,559</u> |

### Aggregate information of associates that are not individually material

|                                                | For the Three Months Ended<br>June 30 |                   | For the Six Months Ended<br>June 30 |                  |
|------------------------------------------------|---------------------------------------|-------------------|-------------------------------------|------------------|
|                                                | 2026                                  | 2025              | 2026                                | 2025             |
| The Group's share of:                          |                                       |                   |                                     |                  |
| Net profit for the year                        | \$ 20,492                             | \$ 506            | \$ 39,435                           | \$ 17,139        |
| Other comprehensive loss                       | <u>(621)</u>                          | <u>(7,838)</u>    | <u>(415)</u>                        | <u>(7,005)</u>   |
| Total comprehensive income (loss) for the year | <u>\$ 19,871</u>                      | <u>\$ (7,332)</u> | <u>\$ 39,020</u>                    | <u>\$ 10,134</u> |

Associates are accounted for using the equity method.

### 13. PROPERTY, PLANT AND EQUIPMENT

|                                               | June 30,<br>2026    | December 31,<br>2025 | June 30,<br>2025    |
|-----------------------------------------------|---------------------|----------------------|---------------------|
| Freehold land                                 | \$ 777,179          | \$ 777,179           | \$ 777,179          |
| Buildings                                     | 251,853             | 256,733              | 253,870             |
| Machinery and equipment                       | 12,064              | 15,010               | 16,741              |
| Office equipment                              | 10,479              | 12,073               | 12,341              |
| Other equipment                               | 3,800               | 4,908                | 6,071               |
| Unfinished work and equipment to be inspected | <u>-</u>            | <u>-</u>             | <u>8,485</u>        |
|                                               | <u>\$ 1,055,375</u> | <u>\$ 1,065,903</u>  | <u>\$ 1,074,687</u> |

Except for depreciation recognized, the Group did not have significant addition, disposal, or impairment of property, plant and equipment during the six months ended June 30, 2026 and 2025. The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

|                         |            |
|-------------------------|------------|
| Building                |            |
| Main buildings          | 50 years   |
| Others                  | 5-10 years |
| Machinery and equipment | 2-10 years |
| Office equipment        | 2-5 years  |
| Other equipment         | 2-5 years  |

Property, plant and equipment used by the Group and pledged as collateral for bank borrowings are set out in Note 28.

### 14. LEASE ARRANGEMENTS

#### a. Right-of-use assets

|                                  | June 30,<br>2026 | December 31,<br>2025            | June 30,<br>2025 |
|----------------------------------|------------------|---------------------------------|------------------|
| <u>Carrying amount</u>           |                  |                                 |                  |
| Buildings                        | \$ 31,343        | \$ 53,855                       | \$ 74,371        |
| Transportation equipment         | <u>14,473</u>    | <u>16,067</u>                   | <u>17,136</u>    |
|                                  | <u>\$ 45,816</u> | <u>\$ 69,922</u>                | <u>\$ 91,507</u> |
|                                  |                  | <b>For the Six Months Ended</b> |                  |
|                                  |                  | <b>June 30</b>                  |                  |
|                                  |                  | <b>2026</b>                     | <b>2025</b>      |
| Additions to right-of-use assets |                  | <u>\$ 9,431</u>                 | <u>\$ 27,951</u> |

|                                             | For the Three Months Ended<br>June 30 |                  | For the Six Months Ended<br>June 30 |                  |
|---------------------------------------------|---------------------------------------|------------------|-------------------------------------|------------------|
|                                             | 2026                                  | 2025             | 2026                                | 2025             |
| Depreciation charge for right-of-use assets |                                       |                  |                                     |                  |
| Buildings                                   | \$ 12,689                             | \$ 15,184        | \$ 25,477                           | \$ 31,146        |
| Transportation equipment                    | <u>1,784</u>                          | <u>1,761</u>     | <u>3,490</u>                        | <u>3,124</u>     |
|                                             | <u>\$ 14,473</u>                      | <u>\$ 16,945</u> | <u>\$ 28,967</u>                    | <u>\$ 34,270</u> |

Except for additions and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the six months ended June 30, 2026 and 2025.

b. Lease liabilities

|                        | June 30,<br>2026 | December 31,<br>2025 | June 30,<br>2025 |
|------------------------|------------------|----------------------|------------------|
| <u>Carrying amount</u> |                  |                      |                  |
| Current                | <u>\$ 29,326</u> | <u>\$ 44,399</u>     | <u>\$ 54,991</u> |
| Non-current            | <u>\$ 21,454</u> | <u>\$ 28,709</u>     | <u>\$ 39,486</u> |

Range of discount rates for lease liabilities was as follows:

|                          | June 30,<br>2026 | December 31,<br>2025 | June 30,<br>2025 |
|--------------------------|------------------|----------------------|------------------|
| Buildings                | 1.20%-4.75%      | 1.20%-4.75%          | 1.20%-4.75%      |
| Transportation equipment | 1.20%-4.75%      | 1.20%-4.75%          | 1.20%-4.75%      |

## 15. BORROWINGS

a. Short-term borrowings

|                                     | June 30,<br>2026    | December 31,<br>2025 | June 30,<br>2025    |
|-------------------------------------|---------------------|----------------------|---------------------|
| <u>Secured borrowings (Note 28)</u> |                     |                      |                     |
| Bank loans                          | \$ 118,000          | \$ 112,000           | \$ 98,000           |
| <u>Unsecured borrowings</u>         |                     |                      |                     |
| Line of credit borrowings           | <u>2,917,750</u>    | <u>2,630,005</u>     | <u>1,770,000</u>    |
|                                     | <u>\$ 3,035,750</u> | <u>\$ 2,742,005</u>  | <u>\$ 1,868,000</u> |
| Interest rate interval              | <u>1.76%-4.42%</u>  | <u>0.96%-5.05%</u>   | <u>1.90%-2.25%</u>  |

Part of the short-term borrowings of the Group as of June 30, 2026, December 31, 2025 and June 30, 2025 have been jointly guaranteed by chairman of the board of the Group.

Part of the secured borrowings of the Group as of June 30, 2026, December 31, 2025 and June 30, 2025 have been jointly guaranteed by time deposits, property and plant.

b. Short-term bills payable

|                                             | June 30,<br>2026   | December 31,<br>2025 | June 30,<br>2025    |
|---------------------------------------------|--------------------|----------------------|---------------------|
| Commercial paper                            | \$ 580,000         | \$ 2,150,000         | \$ 2,260,000        |
| Less: Unamortized discount on bills payable | <u>-</u>           | <u>-</u>             | <u>-</u>            |
|                                             | <u>\$ 580,000</u>  | <u>\$ 2,150,000</u>  | <u>\$ 2,260,000</u> |
| Interest rate interval                      | <u>1.68%-1.99%</u> | <u>1.47%-1.75%</u>   | <u>1.49%-2.15%</u>  |

c. Long-term borrowings

|                                     | June 30,<br>2026    | December 31,<br>2025 | June 30,<br>2025   |
|-------------------------------------|---------------------|----------------------|--------------------|
| <u>Secured borrowings (Note 30)</u> |                     |                      |                    |
| Bank loans                          | \$ 1,869,384        | \$ 486,361           | \$ 495,361         |
| <u>Unsecured borrowings</u>         |                     |                      |                    |
| Bank loans                          | <u>-</u>            | <u>-</u>             | <u>3,080</u>       |
|                                     | 1,869,384           | 486,361              | 498,441            |
| Less: Current portion               | <u>(33,838)</u>     | <u>(29,641)</u>      | <u>(23,365)</u>    |
| Long-term borrowings                | <u>\$ 1,835,546</u> | <u>\$ 456,720</u>    | <u>\$ 475,076</u>  |
| Interest rate interval              | <u>2.00%-2.48%</u>  | <u>2.00%-2.18%</u>   | <u>2.00%-4.75%</u> |

Portion of the long-term borrowings of the Group as of June 30, 2026, December 31, 2025 and June 30, 2025 have been jointly guaranteed by chairman of the Company.

- 1) The Group's subsidiaries provided freehold land and building as collateral for bank borrowings to fund its operating capital and fully repaid in July 2024. Additionally, in July 2024, it signed a long-term syndicated loan contract with the bank secured by its freehold land and building with a maturity date of July 2031.
- 2) The Group signed a long-term syndicated loan contract with the bank secured by the Company's freehold land and building to fund its operating capital as follows:
  - a) Credit period: Calculated from the date of first utilization (December 25, 2023) to the expiration date of 5 years.
  - b) Total credit line: US\$155,000 thousand dollars.
  - c) Loan item:
    - i. Syndicated loan A: Alltek Technology Corp. and Subsidiaries is borrower, the credit line is US\$155,000 thousand dollars or facility amount, and revolving credit.

- ii. Syndicated loan B: Alltek Technology (H.K.) Limited is borrower, the credit line is US\$62,000 thousand dollars, and revolving credit.
- iii. The credit balance of syndicated loan A and B, the total amount cannot exceed the syndicated loan agreement's total credit line.
- d) Commitments: During the period of the credit facility agreements, the consolidated financial statements compliance with the following financial ratios and covenants is required.
  - i. Current ratio: Not lower than 100%.
  - ii. Liability ratio: Not higher than 300%.
  - iii. Interest coverage ratio: Not lower than 2 times.
  - iv. Net tangible assets: Not lower than \$1,500,000 thousand.

## 16. BONDS PAYABLE

|                          | June 30,<br>2026 | December 31,<br>2025 | June 30,<br>2025 |
|--------------------------|------------------|----------------------|------------------|
| Unsecured domestic bonds | \$ -             | \$ -                 | \$ 18,107        |
| Less: Current portion    | <u>-</u>         | <u>-</u>             | <u>(18,107)</u>  |
|                          | <u>\$ -</u>      | <u>\$ -</u>          | <u>\$ -</u>      |

In July 21, 2022, to repay the loan, the Group issued the 4<sup>th</sup> domestic unsecured convertible bonds with an aggregate principal amount of \$600,000 thousand and a face value of \$100 thousand per bond certificate. The issuance price is not lower than face value multiplied by 101%. Actual issuance amount was \$606,289 thousand. At the end of third year from the bond issuance date, bondholders have the right to redeem the convertible bonds at face value plus interest compensation (the interest compensation is face value multiplied by 102.2669%, rate of return is 0.75% at expiration date) in cash. The convertible bonds are managed by Fubon Securities Co., Ltd. as the trustee of the bondholders. The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - option. The terms and conditions of the bonds are as follows:

- a. Issuance date: July 21, 2022
- b. Coupon rate: 0%
- c. Issuance period: 3 years, and a circulation period from July 21, 2022 to July 21, 2025.
- d. Redemption of the convertible bonds

At the end of second years from the bond issuance date (July 21, 2024), bondholders have the right to request the Group to redeem the convertible bonds at face value plus interest compensation (the interest compensation is face value multiplied by 101.5056%, rate of return is 0.75% at expiration date) in cash.

- e. Redemption method
  - 1) Conversion subject: Subject is ordinary shares of the Company. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding ordinary shares.

2) Conversion period:

From October 22, 2022 (3 months after the date of issuance) to July 21, 2025 (expiration date), each bond entitles the holder to convert it into ordinary shares through broker-dealer informing Taiwan Depository & Clearing Corporation to request the Company's agent for stock affairs in accordance with the conditions of the issuance of the bonds except for (1) Period of suspension of transfer of ordinary shares according to the law; (2) Fifteen business days before the stop transfer date of issuance of bonus shares, the stop transfer date of the cash dividend or the stop transfer date of issuance of ordinary shares for cash subscription, and the rights distribution base date; (3) The capital reduction base date to the capital reduction of stocks one day before the trading day.

3) Conversion prices and the adjustments

The conversion price of the bonds is set based on the arithmetic mean of the business day's closing share price multiplied by 102.03% premium rate before the effective date on July 1, 2022. As the Company distributed share dividends in the year ended 2024 and 2023, the conversion price was adjusted from NT\$38.2 per share to NT\$30 per share. As the Company's stock was ex-dividend on August 9, 2024, the conversion price was adjusted from NT\$30 per share to NT\$28.3 per share.

The 4<sup>th</sup> domestic unsecured convertible bonds matured on July 21, 2025. All of which were fully converted before maturity in July 2025.

- 4) The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - option. The effective interest rate of the liability component was 0.8947% per annum on initial recognition.

|                                                   | For the Six Months Ended<br>June 30 |                  |
|---------------------------------------------------|-------------------------------------|------------------|
|                                                   | 2026                                | 2025             |
| Liability component as of beginning of the period | \$ -                                | \$ 72,369        |
| Interest charged at an effective interest rate    | -                                   | 201              |
| Convertible bonds converted into ordinary shares  | -                                   | (54,463)         |
| Liability component as end of the period          | <u>\$ -</u>                         | <u>\$ 18,107</u> |

## 17. OTHER LIABILITIES

|                             | June 30,<br>2026    | December 31,<br>2025 | June 30,<br>2025    |
|-----------------------------|---------------------|----------------------|---------------------|
| <u>Other payables</u>       |                     |                      |                     |
| Payables for cash dividends | \$ 481,544          | \$ -                 | \$ 611,923          |
| Salaries and bonus          | 453,127             | 308,648              | 333,145             |
| Payable for annual leave    | 22,917              | 21,987               | 21,653              |
| Payables for freight        | 20,808              | 15,219               | 9,129               |
| Interest payable            | 8,712               | 2,621                | 1,516               |
| Others                      | <u>212,416</u>      | <u>180,411</u>       | <u>133,229</u>      |
|                             | <u>\$ 1,199,524</u> | <u>\$ 528,886</u>    | <u>\$ 1,110,595</u> |

(Continued)

|                          | June 30,<br>2026  | December 31,<br>2025 | June 30,<br>2025                 |
|--------------------------|-------------------|----------------------|----------------------------------|
| <u>Other liabilities</u> |                   |                      |                                  |
| Refund liabilities       | \$ 122,476        | \$ 121,559           | \$ 117,275                       |
| Receipts under custody   | 184,230           | 46,006               | 112,514                          |
| Others                   | <u>18,712</u>     | <u>14,202</u>        | <u>13,018</u>                    |
|                          | <u>\$ 325,418</u> | <u>\$ 181,767</u>    | <u>\$ 242,807</u><br>(Concluded) |

## 18. RETIREMENT BENEFIT PLANS

For the three months and six months ended June 30, 2026 and 2025, the pension expenses of defined benefit plans were \$116 thousand, \$120 thousand, \$231 thousand and \$241 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2025 and 2024, respectively.

## 19. EQUITY

### a. Ordinary shares

|                                                       | June 30,<br>2026    | December 31,<br>2025 | June 30,<br>2025    |
|-------------------------------------------------------|---------------------|----------------------|---------------------|
| Number of shares authorized (in thousands)            | <u>350,000</u>      | <u>350,000</u>       | <u>350,000</u>      |
| Shares authorized                                     | <u>\$ 3,500,000</u> | <u>\$ 3,500,000</u>  | <u>\$ 3,500,000</u> |
| Number of shares issued and fully paid (in thousands) | <u>235,391</u>      | <u>235,391</u>       | <u>234,974</u>      |
| Shares issued                                         | <u>\$ 2,353,912</u> | <u>\$ 2,353,912</u>  | <u>\$ 2,349,742</u> |

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and carry a right to dividends.

The 4th domestic unsecured convertible bonds had been converted into 1,929 thousand ordinary shares for the six months ended June 30, 2025. The Company has completed the registration of changes on September 19, 2025.

At the Company's annual general shareholders' meeting held on June 12, 2026, the shareholders approved the distribution of a stock dividend through the issuance of 11,770 thousand new common shares with a par value of NT\$10 per share. Upon completion of the capital increase, the Company's paid-in capital will increase to NT\$2,471,608 thousand.

As of the date these consolidated financial statements were authorized for issuance, the filing procedures in connection with the capital increase had not yet been completed. Upon the Board of Directors' determination of the record date for the capital increase, the Company will file the required application with the Financial Supervisory Commission in accordance with the applicable regulations and complete the related registration of the capital increase.

b. Capital surplus

|                                                                                                                                                              | June 30,<br>2026  | December 31,<br>2025 | June 30,<br>2025  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|----------------------|-------------------|
| May be used to offset a deficit,<br>distributed as cash dividends, or<br><u>transferred to share capital (1)</u>                                             |                   |                      |                   |
| Issuance of ordinary shares                                                                                                                                  | \$ 843,553        | \$ 843,553           | \$ 829,411        |
| The difference between consideration<br>received or paid and the carrying amount of<br>the subsidiaries' net assets during actual<br>disposal or acquisition | 3,884             | 3,884                | 3,884             |
| <u>May be used to offset a deficit only (2)</u>                                                                                                              |                   |                      |                   |
| Changes in percentage of ownership interests<br>in subsidiaries                                                                                              | 9,211             | 6,962                | 4,651             |
| Changes in equity of associates and joint<br>ventures accounted for using the equity<br>method                                                               | 8,663             | 8,663                | 8,663             |
| Other                                                                                                                                                        | 1,853             | 1,853                | 1,853             |
| <u>May not be used for any purpose</u>                                                                                                                       |                   |                      |                   |
| Components of equity of convertible<br>corporate bonds issued by the company                                                                                 | -                 | -                    | 222               |
|                                                                                                                                                              | <u>\$ 867,164</u> | <u>\$ 864,915</u>    | <u>\$ 848,684</u> |

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).
- 2) Such capital surplus arises from the effect of changes in ownership interest in a subsidiary resulted from equity transactions other than actual disposal or acquisition, or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividends policy

The shareholders of the Company held their regular meeting on June 17, 2025 and June 18, 2024 and in that meeting, resolved the amendments to the Company's Articles of Incorporation (the "Articles"). Under the dividend policy to the Company after the amendments, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved by the shareholders in their meeting for distribution of dividends and bonuses to shareholders. The aforementioned special reserve refers to the amount appropriated when there is a net deduction under other equity items during the current period. An equivalent amount shall be appropriated from the current period's net profit plus any items recognized in retained earnings that are not part of the net profit. If this is insufficient, the shortfall shall be appropriated from prior period retained earnings. If the deduction pertains to accumulated other equity items from prior periods, an equivalent amount shall be appropriated from prior period retained earnings. If still insufficient, the shortfall shall be appropriated from the current period's net profit plus

any items recognized in retained earnings that are not part of the net profit. If all or part of the dividends, bonuses, legal reserve and capital surplus are to be paid in cash, the board of directors shall be authorized to make a special resolution and report to the shareholders in their meeting. For the policies on distribution of employees' compensation and remuneration to directors and supervisors before and after amendment, refer to employee benefits expense in Note 21(g).

The Company's dividend policy takes into account factors such as operational needs and the interests of shareholders. Each year, the remaining balance of the current year's net profit after offsetting accumulated losses, appropriating the legal reserve, and making or reversing special earnings reserves in accordance with legal requirements is used accordingly. When there is no cumulative loss, the Company shall set aside share dividends at no less than 50% of the net profit of the current year. The way to distribute dividends could be either through cash or shares, and cash dividends shall not be less than 30% of the total dividends.

Under the dividend policy to the Company before the amendments was resolved on June 18, 2024, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for distribution of dividends, bonus, legal reserve and capital surplus to shareholders.

The Company's dividend policy is designed to meet present and future development projects and takes into consideration the investment environment, funding requirements, international or domestic competitive conditions while simultaneously meeting shareholders' interests. When there is no cumulative loss, the Company shall set aside share dividends at no less than 50% of the net profit. The way to distribute dividends could be either through cash or shares, and cash dividends shall not be less than 30% of the total dividends.

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

The appropriations of earnings for 2025 and 2024 approved in the shareholders' meetings on June 12, 2026 and June 17, 2025, respectively, were as follows:

|                                  | <b>Appropriation of Earnings</b>      |             |
|----------------------------------|---------------------------------------|-------------|
|                                  | <b>For the Year Ended December 31</b> |             |
|                                  | <b>2025</b>                           | <b>2024</b> |
| Legal reserve                    | \$ 70,694                             | \$ 70,574   |
| Cash dividends                   | \$ 470,782                            | \$ 538,051  |
| Share dividends                  | \$ 117,696                            | \$ -        |
| Cash dividends per share (NT\$)  | \$ 2                                  | \$ 2.3      |
| Share dividends per share (NT\$) | \$ 0.5                                | \$ -        |

## 20. REVENUE RECOGNITION

|                                       | For the Three Months Ended<br>June 30 |                     | For the Six Months Ended<br>June 30 |                      |
|---------------------------------------|---------------------------------------|---------------------|-------------------------------------|----------------------|
|                                       | 2026                                  | 2025                | 2026                                | 2025                 |
| Revenue from contracts with customers |                                       |                     |                                     |                      |
| Revenue from sale of goods            | \$ 17,257,172                         | \$ 9,412,022        | \$ 34,322,963                       | \$ 23,775,622        |
| Others                                | <u>7,135</u>                          | <u>5,912</u>        | <u>8,757</u>                        | <u>7,310</u>         |
|                                       | <u>\$ 17,264,307</u>                  | <u>\$ 9,417,934</u> | <u>\$ 34,331,720</u>                | <u>\$ 23,782,932</u> |
|                                       |                                       | June 30,<br>2026    | December 31,<br>2025                | June 30,<br>2025     |
| Contract liabilities - current        |                                       |                     |                                     |                      |
| Revenue from sale of goods            |                                       | <u>\$ 1,399,284</u> | <u>\$ 519,615</u>                   | <u>\$ 405,740</u>    |

Refer to Note 32 for information about disaggregation of revenue.

## 21. NET PROFIT AND OTHER COMPREHENSIVE INCOME

Net profit was attributable to:

### a. Interest income

|               | For the Three Months Ended<br>June 30 |                  | For the Six Months Ended<br>June 30 |                  |
|---------------|---------------------------------------|------------------|-------------------------------------|------------------|
|               | 2026                                  | 2025             | 2026                                | 2025             |
| Bank deposits | <u>\$ 33,208</u>                      | <u>\$ 18,873</u> | <u>\$ 53,775</u>                    | <u>\$ 21,012</u> |

### b. Other income

|                   | For the Three Months Ended<br>June 30 |                  | For the Six Months Ended<br>June 30 |                  |
|-------------------|---------------------------------------|------------------|-------------------------------------|------------------|
|                   | 2026                                  | 2025             | 2026                                | 2025             |
| Government grants | \$ 3,428                              | \$ 9,221         | \$ 3,442                            | \$ 12,942        |
| Others            | <u>5,105</u>                          | <u>5,978</u>     | <u>9,675</u>                        | <u>11,603</u>    |
|                   | <u>\$ 8,533</u>                       | <u>\$ 15,199</u> | <u>\$ 13,117</u>                    | <u>\$ 24,545</u> |

c. Other gains and losses

|                                                  | For the Three Months Ended<br>June 30 |                     | For the Six Months Ended<br>June 30 |                     |
|--------------------------------------------------|---------------------------------------|---------------------|-------------------------------------|---------------------|
|                                                  | 2026                                  | 2025                | 2026                                | 2025                |
| Fair value change of financial assets            |                                       |                     |                                     |                     |
| Non-derivative financial assets held for trading | \$ 400                                | \$ (8,265)          | \$ 3,152                            | \$ (13,175)         |
| Net foreign exchange losses                      | 16,218                                | (479,997)           | 70,164                              | (413,282)           |
| Bank charges                                     | (6,702)                               | (5,656)             | (12,885)                            | (13,572)            |
| Others                                           | <u>(2,469)</u>                        | <u>(1,580)</u>      | <u>(3,317)</u>                      | <u>(2,245)</u>      |
|                                                  | <u>\$ 7,447</u>                       | <u>\$ (495,498)</u> | <u>\$ 57,114</u>                    | <u>\$ (442,274)</u> |

d. Finance costs

|                                     | For the Three Months Ended<br>June 30 |                  | For the Six Months Ended<br>June 30 |                  |
|-------------------------------------|---------------------------------------|------------------|-------------------------------------|------------------|
|                                     | 2026                                  | 2025             | 2026                                | 2025             |
| Interest on loans/convertible bonds | \$ 40,474                             | \$ 26,600        | \$ 66,142                           | \$ 65,449        |
| Interest on lease liabilities       | <u>500</u>                            | <u>850</u>       | <u>1,111</u>                        | <u>1,873</u>     |
|                                     | <u>\$ 40,974</u>                      | <u>\$ 27,450</u> | <u>\$ 67,253</u>                    | <u>\$ 67,322</u> |

e. Depreciation and amortization

|                                         | For the Three Months Ended<br>June 30 |                  | For the Six Months Ended<br>June 30 |                  |
|-----------------------------------------|---------------------------------------|------------------|-------------------------------------|------------------|
|                                         | 2026                                  | 2025             | 2026                                | 2025             |
| An analysis of depreciation by function |                                       |                  |                                     |                  |
| Operating costs                         | \$ 837                                | \$ 850           | \$ 1,676                            | \$ 1,730         |
| Operating expenses                      | <u>19,215</u>                         | <u>22,048</u>    | <u>39,250</u>                       | <u>44,418</u>    |
|                                         | <u>\$ 20,052</u>                      | <u>\$ 22,898</u> | <u>\$ 40,926</u>                    | <u>\$ 46,148</u> |
| An analysis of amortization by function |                                       |                  |                                     |                  |
| Operating expenses                      | <u>\$ 176</u>                         | <u>\$ 92</u>     | <u>\$ 352</u>                       | <u>\$ 184</u>    |

f. Employee benefits expense

|                                                         | For the Three Months Ended<br>June 30 |                   | For the Six Months Ended<br>June 30 |                   |
|---------------------------------------------------------|---------------------------------------|-------------------|-------------------------------------|-------------------|
|                                                         | 2026                                  | 2025              | 2026                                | 2025              |
| Post-employment benefits                                |                                       |                   |                                     |                   |
| Defined contribution plans                              | \$ 4,877                              | \$ 4,897          | \$ 9,769                            | \$ 9,711          |
| Defined benefit plans<br>(Note 18)                      | <u>116</u>                            | <u>120</u>        | <u>231</u>                          | <u>241</u>        |
|                                                         | 4,993                                 | 5,017             | 10,000                              | 9,952             |
| Share-based payments                                    | 3,101                                 | 3,102             | 6,204                               | 6,204             |
| Other employee benefits                                 | <u>271,824</u>                        | <u>183,217</u>    | <u>537,551</u>                      | <u>462,178</u>    |
| Total employee benefits<br>expense                      | <u>\$ 279,918</u>                     | <u>\$ 188,234</u> | <u>\$ 553,755</u>                   | <u>\$ 472,130</u> |
| An analysis of employee<br>benefits expense by function |                                       |                   |                                     |                   |
| Operating costs                                         | \$ 7,072                              | \$ 8,761          | \$ 14,010                           | \$ 16,644         |
| Operating expenses                                      | <u>272,846</u>                        | <u>179,473</u>    | <u>539,745</u>                      | <u>455,486</u>    |
|                                                         | <u>\$ 279,918</u>                     | <u>\$ 188,234</u> | <u>\$ 553,755</u>                   | <u>\$ 472,130</u> |

g. Compensation of employees and remuneration of directors

The Company accrues compensation of employees and remuneration of directors at the rates no less than 1% and no higher than 5%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The compensation of employees and the remuneration of directors for the three months and six months ended June 30, 2026 and 2025 are as follows:

Accrual rate

|                           | For the Six Months Ended<br>June 30 |        |
|---------------------------|-------------------------------------|--------|
|                           | 2026                                | 2025   |
| Compensation of employees | 7.34%                               | 10.00% |
| Remuneration of directors | 1.09%                               | 1.82%  |

Amount

|                           | For the Three Months Ended<br>June 30 |                   | For the Six Months Ended<br>June 30 |                  |
|---------------------------|---------------------------------------|-------------------|-------------------------------------|------------------|
|                           | 2026                                  | 2025              | 2026                                | 2025             |
| Compensation of employees | <u>\$ 40,000</u>                      | <u>\$ (7,000)</u> | <u>\$ 77,000</u>                    | <u>\$ 11,000</u> |
| Remuneration of directors | <u>\$ 6,140</u>                       | <u>\$ (550)</u>   | <u>\$ 11,480</u>                    | <u>\$ 2,000</u>  |

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

The appropriations of compensation of employees and remuneration of directors for 2025 and 2024 that were resolved by the board of directors on March 12, 2025 and March 12, 2024, respectively, are as shown below:

|                           | <b>For the Year Ended December 31</b> |                  |
|---------------------------|---------------------------------------|------------------|
|                           | <b>2025</b>                           | <b>2024</b>      |
|                           | <b>Cash</b>                           | <b>Cash</b>      |
| Compensation of employees | <u>\$ 50,000</u>                      | <u>\$ 47,000</u> |
| Remuneration to directors | <u>\$ 9,440</u>                       | <u>\$ 10,279</u> |

There was no difference between the actual amounts of employees' compensation and remuneration to directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2025 and 2024.

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

h. Gain or loss on foreign currency exchange

|                         | <b>For the Three Months Ended<br/>June 30</b> |                     | <b>For the Six Months Ended<br/>June 30</b> |                     |
|-------------------------|-----------------------------------------------|---------------------|---------------------------------------------|---------------------|
|                         | <b>2026</b>                                   | <b>2025</b>         | <b>2026</b>                                 | <b>2025</b>         |
| Foreign exchange gains  | \$ 429,209                                    | \$ 571,846          | \$ 874,807                                  | \$ 777,538          |
| Foreign exchange losses | <u>(412,991)</u>                              | <u>(1,051,843)</u>  | <u>(804,643)</u>                            | <u>(1,190,820)</u>  |
|                         | <u>\$ 16,218</u>                              | <u>\$ (479,997)</u> | <u>\$ 70,164</u>                            | <u>\$ (413,282)</u> |

## 22. INCOME TAXES

a. Major components of tax expense recognized in profit or loss are as follows:

|                                                    | <b>For the Three Months Ended<br/>June 30</b> |                  | <b>For the Six Months Ended<br/>June 30</b> |                  |
|----------------------------------------------------|-----------------------------------------------|------------------|---------------------------------------------|------------------|
|                                                    | <b>2026</b>                                   | <b>2025</b>      | <b>2026</b>                                 | <b>2025</b>      |
| Current tax                                        |                                               |                  |                                             |                  |
| In respect of the current year                     | \$ 99,063                                     | \$ 59,182        | \$ 295,007                                  | \$ 117,592       |
| Income tax on                                      |                                               |                  |                                             |                  |
| unappropriated earnings                            | 2,388                                         | 6,387            | 2,388                                       | 6,387            |
| Adjustments for prior year                         | 1,115                                         | (222)            | 1,115                                       | (222)            |
| Deferred tax                                       |                                               |                  |                                             |                  |
| In respect of the current year                     | <u>39,424</u>                                 | <u>(36,529)</u>  | <u>45,601</u>                               | <u>(25,401)</u>  |
| Income tax expense recognized<br>in profit or loss | <u>\$ 141,990</u>                             | <u>\$ 28,818</u> | <u>\$ 344,111</u>                           | <u>\$ 98,356</u> |

b. Income tax recognized in other comprehensive income

|                                | For the Three Months Ended<br>June 30 |              | For the Six Months Ended<br>June 30 |             |
|--------------------------------|---------------------------------------|--------------|-------------------------------------|-------------|
|                                | 2026                                  | 2025         | 2026                                | 2025        |
| <u>Deferred tax</u>            |                                       |              |                                     |             |
| In respect of the current year |                                       |              |                                     |             |
| Exchange differences on        |                                       |              |                                     |             |
| translating the financial      |                                       |              |                                     |             |
| statements of foreign          |                                       |              |                                     |             |
| operations                     | \$ (4,784)                            | \$ (104,396) | \$ 11,339                           | \$ (93,537) |

c. Income tax assessments

The income tax returns through 2023 have been assessed by the tax authorities; the Company provided their income tax to be assessed by the tax authorities. The income tax returns through 2024 have been assessed by the tax authorities; its subsidiaries Pantek Technology Corp., Alltek Marine Electronics Corp. and Alder Optomechanical Corp. in Taiwan provided their income tax to be assessed by the tax authorities.

As of June 30, 2026, the overseas subsidiary, Alltek Technology (H.K.) Limited, had raised objections to the assessment issued of the local tax authority and purchased tax reserve certificates amounting to approximately US\$660 thousand, which were recognized as other financial assets (presented under other current assets). The Group has recognized sufficient liabilities accordingly.

## 23. EARNINGS (LOSS) PER SHARE

|                                   | For the Three Months Ended<br>June 30 |           | For the Six Months Ended<br>June 30 |         |
|-----------------------------------|---------------------------------------|-----------|-------------------------------------|---------|
|                                   | 2026                                  | 2025      | 2026                                | 2025    |
| Basic earnings (loss) per share   |                                       |           |                                     |         |
| Basic earnings (loss) per share   | \$ 1.75                               | \$ (0.64) | \$ 3.28                             | \$ 0.30 |
| Earnings per share after          |                                       |           |                                     |         |
| retrospective adjustment for      |                                       |           |                                     |         |
| the record date of stock          |                                       |           |                                     |         |
| dividends declared after the      |                                       |           |                                     |         |
| reporting period                  | \$ 1.67                               | \$ (0.61) | \$ 3.12                             | \$ 0.29 |
| Diluted earnings (loss) per share |                                       |           |                                     |         |
| Diluted earnings (loss) per share | \$ 1.75                               | \$ (0.64) | \$ 3.25                             | \$ 0.30 |
| Earnings per share after          |                                       |           |                                     |         |
| retrospective adjustment for      |                                       |           |                                     |         |
| the record date of stock          |                                       |           |                                     |         |
| dividends declared after the      |                                       |           |                                     |         |
| reporting period                  | \$ 1.66                               | \$ (0.61) | \$ 3.10                             | \$ 0.28 |

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

**Net Profit (Loss) for the Year**

|                                                                | <b>For the Three Months Ended<br/>June 30</b> |                     | <b>For the Six Months Ended<br/>June 30</b> |                  |
|----------------------------------------------------------------|-----------------------------------------------|---------------------|---------------------------------------------|------------------|
|                                                                | <b>2026</b>                                   | <b>2025</b>         | <b>2026</b>                                 | <b>2025</b>      |
| Earnings used in the computation of diluted earnings per share | \$ 413,039                                    | \$ (151,154)        | \$ 771,271                                  | \$ 70,284        |
| Effect of potentially dilutive ordinary shares                 |                                               |                     |                                             |                  |
| Interest on convertible bonds (after tax)                      | <u>-</u>                                      | <u>-</u>            | <u>-</u>                                    | <u>161</u>       |
| Earnings used in the computation of diluted earnings per share | <u>\$ 413,039</u>                             | <u>\$ (151,154)</u> | <u>\$ 771,271</u>                           | <u>\$ 70,445</u> |

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

|                                                                                                                                                | <b>For the Three Months Ended<br/>June 30</b> |                | <b>For the Six Months Ended<br/>June 30</b> |                |
|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|----------------|---------------------------------------------|----------------|
|                                                                                                                                                | <b>2026</b>                                   | <b>2025</b>    | <b>2026</b>                                 | <b>2025</b>    |
| Weighted average number of ordinary shares used in the computation of basic earnings per share                                                 | 235,391                                       | 234,766        | 235,391                                     | 234,087        |
| Effect of potentially dilutive ordinary shares                                                                                                 |                                               |                |                                             |                |
| Convertible bonds                                                                                                                              | -                                             | -              | -                                           | 1,515          |
| Bonus to employees                                                                                                                             | <u>1,301</u>                                  | <u>-</u>       | <u>1,831</u>                                | <u>782</u>     |
| Weighted average number of ordinary shares used in the computation of diluted earnings per share                                               | <u>236,692</u>                                | <u>234,766</u> | <u>237,222</u>                              | <u>236,384</u> |
| Pro forma retrospective adjustment information for stock dividends with a record date after the financial statements were authorized for issue |                                               |                |                                             |                |
| Weighted average number of ordinary shares used in the computation of basic earnings per share                                                 | <u>247,161</u>                                | <u>246,537</u> | <u>247,161</u>                              | <u>245,857</u> |
| Weighted average number of ordinary shares used in the computation of diluted earnings per share                                               | <u>248,462</u>                                | <u>246,537</u> | <u>248,992</u>                              | <u>248,154</u> |

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

Due to the net loss for the three months ended June 30, 2025, the convertible bonds and compensation of employees are anti-dilutive and excluded from the computation of diluted earnings per share.

## 24. SHARE-BASED PAYMENT ARRANGEMENTS

### Employee Share Option Plan of the Company

Qualified employees of the Company and its subsidiaries were granted 2,000 options in December 2024. Each option entitles the holder with the right to subscribe for one thousand ordinary shares of the Company. The total number of new ordinary shares to be issued due to the exercise of share options is 2,000 thousands shares. The recipients include employees of the Company, its domestic and foreign parent and subsidiary companies who meet specific conditions. The options granted are valid for 5 years and exercisable at certain percentages after the second anniversary from the grant date. The exercise price of the options shall not be lower than the net book value per share as reported in the most recent financial statements audited or reviewed by an accountant as of the declaration date. For any subsequent changes in the Company's ordinary shares, the exercise price is adjusted accordingly.

Information on employee share options was as follows:

|                                        | For the Six Months Ended June 30                   |                                                |                                                    |                                                |
|----------------------------------------|----------------------------------------------------|------------------------------------------------|----------------------------------------------------|------------------------------------------------|
|                                        | 2026                                               |                                                | 2025                                               |                                                |
|                                        | Number of<br>Options (In<br>Thousands of<br>Units) | Weighted-<br>average<br>Exercise<br>Price (\$) | Number of<br>Options (In<br>Thousands of<br>Units) | Weighted-<br>average<br>Exercise<br>Price (\$) |
| Balance on January 1                   | 1,700                                              | \$ 30                                          | 1,700                                              | \$ 30                                          |
| Granted for the year                   | -                                                  | -                                              | -                                                  | -                                              |
| Options exercised                      | -                                                  | -                                              | -                                                  | -                                              |
| Balance on June 30                     | <u>1,700</u>                                       | 30                                             | <u>1,700</u>                                       | 30                                             |
| Options exercisable, end of the period | <u>-</u>                                           |                                                | <u>-</u>                                           |                                                |

Information on employee share options was as follows:

|                                                        | June 30   |           |
|--------------------------------------------------------|-----------|-----------|
|                                                        | 2026      | 2025      |
| Range of exercise price (\$)                           | \$30      | \$30      |
| Weighted-average remaining contractual life (in years) | 3.5 years | 4.5 years |

Options granted in December 2024 are priced using the Black-Scholes pricing model, and the inputs to the model are as follows:

|                         | December 2024 |
|-------------------------|---------------|
| Grant-date share price  | \$55.84       |
| Exercise price          | \$30          |
| Expected volatility     | 38.25%-39.89% |
| Expected life           | 5 years       |
| Expected dividend yield | 0%            |
| Risk-free interest rate | 1.48%-1.52%   |

## 25. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Group (comprising issued capital, reserves, retained earnings, other equity and non-controlling interest).

The Group is subject to the requirements and restrictions on the current ratio, financial liability ratio and interest protection ratio of the loan agreements with the banks.

## 26. FINANCIAL INSTRUMENTS

### a. Fair value of financial instruments not measured at fair value

|                                         | June 30, 2026 |            | December 31, 2025 |            | June 30, 2025 |            |
|-----------------------------------------|---------------|------------|-------------------|------------|---------------|------------|
|                                         | Carry Amount  | Fair Value | Carry Amount      | Fair Value | Carry Amount  | Fair Value |
| <u>Financial liabilities</u>            |               |            |                   |            |               |            |
| Financial liabilities at amortized cost |               |            |                   |            |               |            |
| Convertible bonds                       | \$ -          | \$ -       | \$ -              | \$ -       | \$ 18,107     | \$ 15,724  |

### b. Fair value of financial instruments measured at fair value on a recurring basis

#### 1) Fair value hierarchy

##### June 30, 2026

|                                  | Level 1          | Level 2     | Level 3           | Total             |
|----------------------------------|------------------|-------------|-------------------|-------------------|
| <u>Financial assets at FVTPL</u> |                  |             |                   |                   |
| Non-derivative instruments       |                  |             |                   |                   |
| Domestic listed shares           | \$ 19,725        | \$ -        | \$ -              | \$ 19,725         |
| Foreign unlisted shares          | -                | -           | 110,065           | 110,065           |
|                                  | <u>\$ 19,725</u> | <u>\$ -</u> | <u>\$ 110,065</u> | <u>\$ 129,790</u> |

(Continued)

|                                   | Level 1    | Level 2    | Level 3      | Total                       |
|-----------------------------------|------------|------------|--------------|-----------------------------|
| <u>Financial assets at FVTOCI</u> |            |            |              |                             |
| Investments in debt instruments   |            |            |              |                             |
| Trade receivables                 | \$ _____ - | \$ _____ - | \$ 4,034,835 | \$ 4,034,835<br>(Concluded) |

December 31, 2025

|                                  | Level 1          | Level 2           | Level 3           | Total             |
|----------------------------------|------------------|-------------------|-------------------|-------------------|
| <u>Financial assets at FVTPL</u> |                  |                   |                   |                   |
| Non-derivative instruments       |                  |                   |                   |                   |
| Domestic listed shares           | \$ 18,025        | \$ -              | \$ -              | \$ 18,025         |
| Foreign unlisted shares          | _____ -          | _____ -           | 108,613           | 108,613           |
|                                  | <u>\$ 18,025</u> | <u>\$ _____ -</u> | <u>\$ 108,613</u> | <u>\$ 126,638</u> |

Financial assets at FVTOCI

|                                 |            |            |              |              |
|---------------------------------|------------|------------|--------------|--------------|
| Investments in debt instruments |            |            |              |              |
| Trade receivables               | \$ _____ - | \$ _____ - | \$ 4,682,600 | \$ 4,682,600 |

June 30, 2025

|                                  | Level 1          | Level 2           | Level 3          | Total             |
|----------------------------------|------------------|-------------------|------------------|-------------------|
| <u>Financial assets at FVTPL</u> |                  |                   |                  |                   |
| Non-derivative instruments       |                  |                   |                  |                   |
| Domestic listed shares           | \$ 21,450        | \$ -              | \$ -             | \$ 21,450         |
| Foreign unlisted shares          | _____ -          | _____ -           | 87,562           | 87,562            |
|                                  | <u>\$ 21,450</u> | <u>\$ _____ -</u> | <u>\$ 87,562</u> | <u>\$ 109,012</u> |

Financial assets at FVTOCI

|                                 |            |            |              |              |
|---------------------------------|------------|------------|--------------|--------------|
| Investments in debt instruments |            |            |              |              |
| Trade receivables               | \$ _____ - | \$ _____ - | \$ 1,446,260 | \$ 1,446,260 |

There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Reconciliation of Level 3 fair value measurements of financial instruments

| Financial Assets                | Instruments at<br>FVTPL       | Instruments at<br>FVTOCI | Total               |
|---------------------------------|-------------------------------|--------------------------|---------------------|
|                                 | Non-derivative<br>Instruments | Equity<br>Instruments    |                     |
| Balance on January 1, 2026      | \$ 108,613                    | \$ 4,682,600             | \$ 4,791,213        |
| Recognized in profit or loss    | 1,452                         | -                        | 1,452               |
| Net change in trade receivables | <u>-</u>                      | <u>(647,765)</u>         | <u>(647,765)</u>    |
| Balance on June 30, 2026        | <u>\$ 110,065</u>             | <u>\$ 4,034,835</u>      | <u>\$ 4,144,900</u> |
| Balance on January 1, 2025      | \$ 97,977                     | \$ 2,976,358             | \$ 3,074,335        |
| Recognized in profit or loss    | (10,415)                      | -                        | (10,415)            |
| Net change in trade receivables | <u>-</u>                      | <u>(1,530,098)</u>       | <u>(1,530,098)</u>  |
| Balance on June 30, 2025        | <u>\$ 87,562</u>              | <u>\$ 1,446,260</u>      | <u>\$ 1,533,822</u> |

3) Valuation techniques and inputs applied for Level 3 fair value measurement

Foreign unlisted shares were determined using the market approach. The comparable company method of market approach is based on the profitability at the end of the year to select the market multiplier of comparable companies. The redemption right of convertible corporate bonds was evaluated according to the binary tree model. The valuation method is chosen by the Group after careful evaluation. Therefore, the fair value measurement is reasonable. However, the use of different evaluation models or fair value may lead to different evaluation results.

c. Categories of financial instruments

|                                                     | June 30,<br>2026 | December 31,<br>2025 | June 30,<br>2025 |
|-----------------------------------------------------|------------------|----------------------|------------------|
| <u>Financial assets</u>                             |                  |                      |                  |
| Financial assets at amortized cost (1)              | \$ 9,332,812     | \$ 7,555,112         | \$ 9,500,820     |
| Financial assets at FVTPL                           |                  |                      |                  |
| Mandatorily classified as at FVTPL -<br>current     | 19,725           | 18,025               | 21,450           |
| Mandatorily classified as at FVTPL -<br>non-current | 110,065          | 108,613              | 87,562           |
| Financial assets at FVTOCI                          | 4,034,835        | 4,682,600            | 1,446,260        |

Financial liabilities

|                    |            |           |           |
|--------------------|------------|-----------|-----------|
| Amortized cost (2) | 13,586,057 | 9,821,465 | 9,395,662 |
|--------------------|------------|-----------|-----------|

- 1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, trade receivables and other receivables.
- 2) The balances include financial liabilities measured at amortized cost, which comprise short-term loans, short-term bills payable, trade payables, other payables, bonds payable, current portion of long-term borrowings and long-term borrowings.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity investment, trade receivables, trade payables, bonds payable, borrowings and short-term bills payable. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks are market risk (including currency risk, interest rate risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (refer to (a) below) and interest rates (refer to (b) below).

a) Foreign currency risk

Several subsidiaries of the Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities and of the derivatives exposing to foreign currency risk at the end of the reporting period are set out in Note 30.

Sensitivity analysis

The Group was mainly exposed to the U.S. dollar.

The following table details the Group's sensitivity to a 3% increase and decrease in the New Taiwan dollar (the functional currency) against the U.S. dollar. Sensitivity rate of 3% is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items designated as cash flow hedges, and adjusts their translation at the end of the reporting period for a 3% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit and other equity associated with the New Taiwan dollar strengthen 3% against the relevant currency. For a 3% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit and other equity and the balances below would be negative.

|                | <b>U.S. Dollars Impact</b>      |             |
|----------------|---------------------------------|-------------|
|                | <b>For the Six Months Ended</b> |             |
|                | <b>June 30</b>                  |             |
|                | <b>2026</b>                     | <b>2025</b> |
| Profit or loss | \$ 5,982                        | \$ 86,723   |

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings, and using interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The carrying amount of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

|                               | June 30,<br>2026 | December 31,<br>2025 | June 30,<br>2025 |
|-------------------------------|------------------|----------------------|------------------|
| Fair value interest rate risk |                  |                      |                  |
| Financial assets              | \$ 486,706       | \$ 140,811           | \$ 79,276        |
| Financial liabilities         | 4,928,553        | 4,809,683            | 4,283,664        |
| Cash flow interest rate risk  |                  |                      |                  |
| Financial assets              | 926,583          | 2,707,421            | 2,200,173        |
| Financial liabilities         | 607,361          | 641,791              | 455,361          |

#### Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 20 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 20 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the six months ended June 30, 2026 and 2025 would have increased/decreased by \$319 thousand and \$1,745 thousand, respectively.

#### c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities. Equity investments are held for strategic rather than for trading purposes, the Group does not actively trade these investments. The Group manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

#### Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period.

If fair value of equity instruments had been 3% higher/lower, the pre-tax profit or loss for the six months ended June 30, 2026 and 2025 would increase/decrease by \$3,894 thousand and \$3,270 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL; the pre-tax other comprehensive income for the six months ended June 30, 2024 would have increase/decrease by \$150 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

#### 2) Credit risk

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

In addition, the credit risk was limited because the counterparty of working capital and derivative financial instruments were banks with good credit.

The customers of trade receivables were scattered in different geographical areas. The Group continuously evaluated the financial condition of the customers of trade receivables. The concentration of credit risk by geographical location was mainly in Taiwan and China.

### 3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of June 30, 2026, December 31, 2025 and June 30, 2025, the Group had available unutilized short-term bank loan facilities set out in (b) below.

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

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

To the extent that interest flows are floating rate, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

#### June 30, 2026

|                                             | <b>On Demand or<br/>Less than<br/>1 Month</b> | <b>1-3 Months</b>   | <b>3 Months to<br/>1 Year</b> | <b>1+ Years</b>     |
|---------------------------------------------|-----------------------------------------------|---------------------|-------------------------------|---------------------|
| <u>Non-derivative financial liabilities</u> |                                               |                     |                               |                     |
| Non-interest bearing                        | \$ 4,881,708                                  | \$ 3,143,897        | \$ 473,564                    | \$ 77,798           |
| Lease liabilities                           | 4,592                                         | 7,377               | 19,722                        | 22,027              |
| Debt instruments                            | <u>1,986,717</u>                              | <u>642,901</u>      | <u>1,073,314</u>              | <u>1,903,751</u>    |
|                                             | <u>\$ 6,873,017</u>                           | <u>\$ 3,794,175</u> | <u>\$ 1,566,600</u>           | <u>\$ 2,003,576</u> |

Additional information on the maturity analysis for lease liabilities:

|                   | <b>Less than<br/>1 Year</b> | <b>1-5 Years</b> |
|-------------------|-----------------------------|------------------|
| Lease liabilities | <u>\$ 31,691</u>            | <u>\$ 22,027</u> |

December 31, 2025

|                                             | <b>On Demand or<br/>Less than<br/>1 Month</b> | <b>1-3 Months</b>   | <b>3 Months to<br/>1 Year</b> | <b>1+ Years</b>   |
|---------------------------------------------|-----------------------------------------------|---------------------|-------------------------------|-------------------|
| <u>Non-derivative financial liabilities</u> |                                               |                     |                               |                   |
| Non-interest bearing                        | \$ 2,993,825                                  | \$ 1,585,198        | \$ 192,518                    | \$ 2,193          |
| Lease liabilities                           | 5,086                                         | 10,121              | 34,058                        | 29,419            |
| Debt instruments                            | <u>2,934,685</u>                              | <u>851,843</u>      | <u>1,162,616</u>              | <u>529,337</u>    |
|                                             | <u>\$ 5,933,596</u>                           | <u>\$ 2,447,162</u> | <u>\$ 1,389,192</u>           | <u>\$ 560,949</u> |

Additional information on the maturity analysis for lease liabilities:

|                   | <b>Less than<br/>1 Year</b> | <b>1-5 Years</b> |
|-------------------|-----------------------------|------------------|
| Lease liabilities | <u>\$ 49,265</u>            | <u>\$ 29,419</u> |

June 30, 2025

|                                             | <b>On Demand or<br/>Less than<br/>1 Month</b> | <b>1-3 Months</b>   | <b>3 Months to<br/>1 Year</b> | <b>1+ Years</b>   |
|---------------------------------------------|-----------------------------------------------|---------------------|-------------------------------|-------------------|
| <u>Non-derivative financial liabilities</u> |                                               |                     |                               |                   |
| Non-interest bearing                        | \$ 2,353,559                                  | \$ 1,505,416        | \$ 1,241,920                  | \$ 5,017          |
| Lease liabilities                           | 5,759                                         | 10,333              | 41,112                        | 40,407            |
| Debt instruments                            | <u>160,288</u>                                | <u>34,374</u>       | <u>16,872</u>                 | <u>151,436</u>    |
|                                             | <u>\$ 2,519,606</u>                           | <u>\$ 1,550,123</u> | <u>\$ 1,299,904</u>           | <u>\$ 196,860</u> |

Additional information on the maturity analysis for lease liabilities:

|                   | <b>Less than<br/>1 Year</b> | <b>1-5 Years</b> |
|-------------------|-----------------------------|------------------|
| Lease liabilities | <u>\$ 57,204</u>            | <u>\$ 40,407</u> |

b) Financing facilities

|                     | <b>June 30,<br/>2026</b> | <b>December 31,<br/>2025</b> | <b>June 30,<br/>2025</b> |
|---------------------|--------------------------|------------------------------|--------------------------|
| Secured borrowing   |                          |                              |                          |
| Amount used         | \$ 1,991,450             | \$ 2,548,361                 | \$ 2,593,361             |
| Amount unused       | <u>3,566,750</u>         | <u>3,490,242</u>             | <u>3,319,030</u>         |
|                     | <u>\$ 5,558,200</u>      | <u>\$ 6,038,603</u>          | <u>\$ 5,912,391</u>      |
| Unsecured borrowing |                          |                              |                          |
| Amount used         | \$ 3,555,750             | \$ 2,888,005                 | \$ 2,091,080             |
| Amount unused       | <u>3,709,455</u>         | <u>4,699,694</u>             | <u>5,512,750</u>         |
|                     | <u>\$ 7,265,205</u>      | <u>\$ 7,587,699</u>          | <u>\$ 7,603,830</u>      |

e. Transfers of financial assets

Factored trade receivables as of June 30, 2026, December 31, 2025 and June 30, 2025 were as follows:

| Counterparties           | Receivables Sold    | Amounts Reclassified to Other Receivables (Note 9) | Amounts Not Yet Advanced | Advances Received at Year-end |
|--------------------------|---------------------|----------------------------------------------------|--------------------------|-------------------------------|
| <u>June 30, 2026</u>     |                     |                                                    |                          |                               |
| Financial institutions   | <u>US\$ 119,011</u> | <u>US\$ 46,260</u>                                 | <u>US\$ 34,326</u>       | <u>US\$ 72,751</u>            |
| <u>December 31, 2025</u> |                     |                                                    |                          |                               |
| Financial institutions   | <u>US\$ 16,083</u>  | <u>US\$ 9,941</u>                                  | <u>US\$ 8,344</u>        | <u>US\$ 6,142</u>             |
| <u>June 30, 2025</u>     |                     |                                                    |                          |                               |
| Financial institutions   | <u>US\$ 37,667</u>  | <u>US\$ 37,419</u>                                 | <u>US\$ 33,651</u>       | <u>US\$ 248</u>               |

The above credit lines may be used on a revolving basis.

Pursuant to the Group's factoring agreements, losses from commercial disputes were borne by the Group, while losses from credit risk were borne by the banks.

As of June 30, 2026, December 31, 2025 and June 30, 2025, the interest rates on advances received were 1.95%-4.34%, 1.97%-2.00% and 2.05%, respectively.

As of June 30, 2026, December 31, 2025 and June 30, 2025, the credit line was US\$311,262 thousand, US\$237,295 thousand and US\$391,980 thousand, respectively.

## 27. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides as disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Related party name and relationship

| Related Party Name                   | Relationship               |
|--------------------------------------|----------------------------|
| Yuban Technology Co., Ltd.           | Associate                  |
| General Life Biotechnology Co., Ltd. | Associate                  |
| Bestsun International Co., Ltd.      | Related party in substance |
| Hsu-huang Development Co., Ltd.      | Related party in substance |

b. Sales

| Line Item | Related Party Type | For the Three Months Ended<br>June 30 |             | For the Six Months Ended<br>June 30 |             |
|-----------|--------------------|---------------------------------------|-------------|-------------------------------------|-------------|
|           |                    | 2026                                  | 2025        | 2026                                | 2025        |
| Sales     | Associates         | <u>\$ 1</u>                           | <u>\$ -</u> | <u>\$ 1</u>                         | <u>\$ -</u> |

c. Purchases

| Line Item | Related Party Type         | For the Three Months Ended<br>June 30 |              | For the Six Months Ended<br>June 30 |              |
|-----------|----------------------------|---------------------------------------|--------------|-------------------------------------|--------------|
|           |                            | 2026                                  | 2025         | 2026                                | 2025         |
| Purchase  | Associates                 | <u>\$ -</u>                           | <u>\$ 13</u> | <u>\$ -</u>                         | <u>\$ 13</u> |
| Purchase  | Related party in substance | <u>\$ -</u>                           | <u>\$ 23</u> | <u>\$ -</u>                         | <u>\$ 23</u> |

d. Receivables from related parties

| Line Item         | Type/Name of Related Party           | June 30, 2026   | December 31, 2025 | June 30, 2025   |
|-------------------|--------------------------------------|-----------------|-------------------|-----------------|
| Other receivables | Associates                           |                 |                   |                 |
|                   | General Life Biotechnology Co., Ltd. | <u>\$ 6,923</u> | <u>\$ -</u>       | <u>\$ 5,538</u> |

The outstanding trade receivables from related parties are unsecured. For the six months ended June 30, 2026 and 2025, no impairment losses were recognized for trade receivables from related parties.

e. Payables to related parties (not include loans from related parties)

| Line Item      | Related Party Type         | June 30, 2026   | December 31, 2025 | June 30, 2025   |
|----------------|----------------------------|-----------------|-------------------|-----------------|
| Other payables | Associates                 | <u>\$ 76</u>    | <u>\$ 9</u>       | <u>\$ -</u>     |
| Other payables | Related party in substance | <u>\$ 1,018</u> | <u>\$ -</u>       | <u>\$ 2,853</u> |

f. Lease arrangements

| Item in the Accounts | Type/Name of Related Party      | June 30, 2026 | December 31, 2025 | June 30, 2025   |
|----------------------|---------------------------------|---------------|-------------------|-----------------|
| Lease liabilities    | Related party in substance      |               |                   |                 |
|                      | Hsu-huang Development Co., Ltd. | <u>\$ -</u>   | <u>\$ -</u>       | <u>\$ 4,274</u> |

| Type/Name of Related Party      | For the Three Months Ended<br>June 30 |       | For the Six Months Ended<br>June 30 |       |
|---------------------------------|---------------------------------------|-------|-------------------------------------|-------|
|                                 | 2026                                  | 2025  | 2026                                | 2025  |
| <u>Interest expense</u>         |                                       |       |                                     |       |
| Related party in substance      |                                       |       |                                     |       |
| Hsu-huang Development Co., Ltd. | \$ -                                  | \$ 38 | \$ -                                | \$ 86 |

The Group leased office and car park in May 2024, respectively, from related party Hsu-huang Development Co., Ltd. for a two-year term, starting from May 2024, respectively, which was based on the rental level of the adjacent office and car park.

g. Other transactions with related parties

| Type of Related Party      | For the Three Months Ended<br>June 30 |        | For the Six Months Ended<br>June 30 |        | Nature of Transaction |
|----------------------------|---------------------------------------|--------|-------------------------------------|--------|-----------------------|
|                            | 2026                                  | 2025   | 2026                                | 2025   |                       |
| Associates                 | \$ 754                                | \$ 898 | \$ 754                              | \$ 898 | Other income          |
| Associates                 | \$ 72                                 | \$ -   | \$ 72                               | \$ -   | Other expenses        |
| Related party in substance | \$ 15                                 | \$ 525 | \$ 15                               | \$ 549 | Other expenses        |

h. Compensation of key management personnel

|                                  | For the Three Months Ended<br>June 30 |                 | For the Six Months Ended<br>June 30 |                  |
|----------------------------------|---------------------------------------|-----------------|-------------------------------------|------------------|
|                                  | 2026                                  | 2025            | 2026                                | 2025             |
| Short-term employee benefits     | \$ 26,092                             | \$ 7,016        | \$ 53,600                           | \$ 27,070        |
| Post-employment benefits         | 346                                   | 363             | 712                                 | 725              |
| Share-based payment arrangements | 165                                   | 165             | 329                                 | 329              |
|                                  | <u>\$ 26,603</u>                      | <u>\$ 7,544</u> | <u>\$ 54,641</u>                    | <u>\$ 28,124</u> |

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

## 28. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings and tariff guarantee:

|                                    | June 30,<br>2026    | December 31,<br>2025 | June 30,<br>2025    |
|------------------------------------|---------------------|----------------------|---------------------|
| Financial assets at amortized cost | \$ 25,576           | \$ 17,000            | \$ -                |
| Property and plant, net            | <u>1,029,032</u>    | <u>1,033,912</u>     | <u>1,031,049</u>    |
|                                    | <u>\$ 1,054,608</u> | <u>\$ 1,050,912</u>  | <u>\$ 1,031,049</u> |

## 29. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On August 12, 2026, the Company's Board of Directors resolved to issue the Company's fifth domestic unsecured convertible corporate bonds, with a maximum aggregate principal amount of NT\$1,500 million. The bonds are tentatively expected to be issued at 100% of their face value, with a coupon rate of 0% and a term of three years. The Board of Directors authorized the Chairman to have full authority to handle all matters in connection with the offering and issuance of the bonds.

## 30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the entities in the Group and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

### June 30, 2026

|                         | Foreign<br>Currency | Exchange Rate   | Carrying<br>Amount |
|-------------------------|---------------------|-----------------|--------------------|
| <u>Financial assets</u> |                     |                 |                    |
| Monetary items          |                     |                 |                    |
| USD                     | \$ 248,313          | 31.85 (USD:NTD) | \$ 7,908,781       |
| EUR                     | 41                  | 36.29 (EUR:NTD) | 1,499              |

### Financial liabilities

|                |         |                 |           |
|----------------|---------|-----------------|-----------|
| Monetary items |         |                 |           |
| USD            | 242,053 | 31.85 (USD:NTD) | 7,709,377 |

### December 31, 2025

|                         | Foreign<br>Currency | Exchange Rate   | Carrying<br>Amount |
|-------------------------|---------------------|-----------------|--------------------|
| <u>Financial assets</u> |                     |                 |                    |
| Monetary items          |                     |                 |                    |
| USD                     | \$ 243,273          | 31.43 (USD:NTD) | \$ 7,646,065       |
| EUR                     | 99                  | 36.90 (EUR:NTD) | 3,677              |

### Financial liabilities

|                |         |                 |           |
|----------------|---------|-----------------|-----------|
| Monetary items |         |                 |           |
| USD            | 157,081 | 31.43 (USD:NTD) | 4,937,058 |

June 30, 2025

|                         | Foreign<br>Currency | Exchange Rate   | Carrying<br>Amount |
|-------------------------|---------------------|-----------------|--------------------|
| <u>Financial assets</u> |                     |                 |                    |
| Monetary items          |                     |                 |                    |
| USD                     | \$ 200,946          | 29.30 (USD:NTD) | \$ 5,887,715       |
| EUR                     | 57                  | 34.35 (EUR:NTD) | 1,970              |

Financial liabilities

|                |         |                 |           |
|----------------|---------|-----------------|-----------|
| Monetary items |         |                 |           |
| USD            | 102,285 | 29.30 (USD:NTD) | 2,996,943 |

The significant realized and unrealized foreign exchange gains (losses) were as follows:

| <b>For the Three Months Ended June 30</b> |                  |                                        |                  |                                        |
|-------------------------------------------|------------------|----------------------------------------|------------------|----------------------------------------|
| <b>2026</b>                               |                  |                                        | <b>2025</b>      |                                        |
| Foreign<br>Currency                       | Exchange Rate    | Net Foreign<br>Exchange Gain<br>(Loss) | Exchange Rate    | Net Foreign<br>Exchange Gain<br>(Loss) |
| NTD                                       | 1 (NTD:NTD)      | \$ 5,308                               | 1 (NTD:NTD)      | \$ (481,050)                           |
| RMB                                       | 4.643 (RMB:NTD)  | 11,037                                 | 4.260 (RMB:NTD)  | 979                                    |
| SGD                                       | 24.693 (SGD:NTD) | (182)                                  | 23.710 (SGD:NTD) | 20                                     |
| USD                                       | 31.597 (USD:NTD) | <u>55</u>                              | 30.823 (USD:NTD) | <u>54</u>                              |
|                                           |                  | <u>\$ 16,218</u>                       |                  | <u>\$ (479,997)</u>                    |

| <b>For the Six Months Ended June 30</b> |                  |                                        |                  |                              |
|-----------------------------------------|------------------|----------------------------------------|------------------|------------------------------|
| <b>2026</b>                             |                  |                                        | <b>2025</b>      |                              |
| Foreign<br>Currency                     | Exchange Rate    | Net Foreign<br>Exchange Gain<br>(Loss) | Exchange Rate    | Net Foreign<br>Exchange Loss |
| NTD                                     | 1 (NTD:NTD)      | \$ 50,826                              | 1 (NTD:NTD)      | \$ (414,560)                 |
| RMB                                     | 4.590 (RMB:NTD)  | 19,440                                 | 4.386 (RMB:NTD)  | 1,178                        |
| SGD                                     | 24.747 (SGD:NTD) | (211)                                  | 24.048 (SGD:NTD) | 64                           |
| USD                                     | 31.614 (USD:NTD) | <u>109</u>                             | 31.859 (USD:NTD) | <u>36</u>                    |
|                                         |                  | <u>\$ 70,164</u>                       |                  | <u>\$ (413,282)</u>          |

### 31. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and investees:

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (Table 2)
- 3) Marketable securities held (excluding investment in subsidiaries, associates and joint controlled entities). (Table 3)

- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 4)
  - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 5)
  - 6) Intercompany relationships and significant intercompany transactions. (Table 6)
- b. Information on investees: Table 7
- c. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 8)
  - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (Table 9)
    - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
    - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
    - c) The amount of property transactions and the amount of the resultant gains or losses.
    - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
    - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
    - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.

## 32. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments under IFRS 8 "Operating Segments" were as follows:

- Alltek Technology Corp.
- Alltek Group Corp. and Alltek Technology (H.K.) Limited
- Pantek Technology Corp.
- Others

## Segment Revenues and Results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segment.

|                                                                             | <b>Segment Revenues</b>                     |                      | <b>Segment Profit</b>                       |                   |
|-----------------------------------------------------------------------------|---------------------------------------------|----------------------|---------------------------------------------|-------------------|
|                                                                             | <b>For the Six Months Ended<br/>June 30</b> |                      | <b>For the Six Months Ended<br/>June 30</b> |                   |
|                                                                             | <b>2026</b>                                 | <b>2025</b>          | <b>2026</b>                                 | <b>2025</b>       |
| Alltek Technology Corp.                                                     | \$ 18,399,055                               | \$ 11,784,565        | \$ 572,439                                  | \$ 215,915        |
| Alltek Group Corp and Alltek<br>Technology (H.K.) Limited                   | 15,578,990                                  | 11,569,183           | 472,473                                     | 377,471           |
| Pantek Technology Corp.                                                     | 414,361                                     | 608,340              | (16,450)                                    | 25,985            |
| Others                                                                      | <u>109,281</u>                              | <u>121,375</u>       | <u>(21,368)</u>                             | <u>(21,431)</u>   |
| Profits from continuing operations                                          | 34,501,687                                  | 24,083,463           | 1,007,094                                   | 597,940           |
| Less: Inter-segment revenues or<br>profits                                  | <u>(169,967)</u>                            | <u>(300,531)</u>     | <u>6,704</u>                                | <u>5,622</u>      |
| Revenue profits from segment and<br>external customers                      | <u>\$ 34,331,720</u>                        | <u>\$ 23,782,932</u> | 1,013,798                                   | 603,562           |
| Interest income                                                             |                                             |                      | 53,775                                      | 21,012            |
| Other income                                                                |                                             |                      | 13,117                                      | 24,545            |
| Other gains and losses                                                      |                                             |                      | 57,114                                      | (442,274)         |
| Finance cost                                                                |                                             |                      | (67,253)                                    | (67,322)          |
| Shares of profits of associates<br>accounted for using the equity<br>method |                                             |                      | <u>39,435</u>                               | <u>17,139</u>     |
| Profit before income tax from<br>continuing operations                      |                                             |                      | <u>\$ 1,109,986</u>                         | <u>\$ 156,662</u> |

Inter-segment revenues were accounted for according to market prices.

Segment profit represented the profit before tax earned by each segment without other income, other gains and losses, finance costs and share of profits of associates accounted for using the equity method. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

**TABLE 1**

**ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES**

**FINANCING PROVIDED TO OTHERS  
FOR THE SIX MONTHS ENDED JUNE 30, 2026  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| No.<br>(Note 1) | Lender                           | Borrower                              | Financial Statement<br>Account         | Related<br>Parties | Highest Balance<br>for the Period | Ending Balance | Actual<br>Borrowing<br>Amount | Interest Rate                 | Nature of Financing               | Business<br>Transaction<br>Amounts | Reasons for<br>Short-term<br>Financing | Allowance for<br>Impairment<br>Loss | Collateral |       | Financing Limit<br>for Each<br>Borrower<br>(Note 2) | Aggregate<br>Financing<br>Limits<br>(Note 2) |
|-----------------|----------------------------------|---------------------------------------|----------------------------------------|--------------------|-----------------------------------|----------------|-------------------------------|-------------------------------|-----------------------------------|------------------------------------|----------------------------------------|-------------------------------------|------------|-------|-----------------------------------------------------|----------------------------------------------|
|                 |                                  |                                       |                                        |                    |                                   |                |                               |                               |                                   |                                    |                                        |                                     | Item       | Value |                                                     |                                              |
| 0               | Alltek Technology Corp.          | Pantek Technology Corp.               | Trade receivables from related parties | Yes                | \$ 150,000                        | \$ -           | \$ -                          | According to mutual agreement | Short-term accommodation of funds | \$ -                               | Operating turnover                     | \$ -                                | -          | -     | \$ 563,912                                          | \$ 2,819,558                                 |
|                 |                                  | Alder Optomechanical Corp.            | Trade receivables from related parties | Yes                | 30,000                            | 30,000         | 5,000                         | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 563,912                                             | 2,819,558                                    |
|                 |                                  | Alltek Technology (H.K.) Limited      | Trade receivables from related parties | Yes                | 400,000                           | 400,000        | -                             | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 563,912                                             | 2,819,558                                    |
|                 |                                  | All Plus Co., Ltd.                    | Trade receivables from related parties | Yes                | 400,000                           | 400,000        | -                             | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 563,912                                             | 2,819,558                                    |
| 1               | Pantek Global Corp.              | Pantek Trade (Shenzhen) Co., Ltd.     | Trade receivables from related parties | Yes                | 149,982                           | 149,982        | 149,982                       | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 161,518                                             | 161,518                                      |
| 2               | All Plus Co., Ltd.               | Alltek Technology Corp.               | Trade receivables from related parties | Yes                | 1,911,000                         | 1,911,000      | 1,841,151                     | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 2,508,010                                           | 2,508,010                                    |
|                 |                                  | Alltek Technology (H.K.) Limited      | Trade receivables from related parties | Yes                | 318,500                           | 318,500        | -                             | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 2,508,010                                           | 2,508,010                                    |
|                 |                                  | Alltek Technology (Shenzhen) Ltd.     | Trade receivables from related parties | Yes                | 139,316                           | 139,316        | 139,316                       | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 2,508,010                                           | 2,508,010                                    |
|                 |                                  | Alltek Technology (Singapore) Pte Ltd | Trade receivables from related parties | Yes                | 63,700                            | 63,700         | 10,351                        | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 2,508,010                                           | 2,508,010                                    |
| 3               | Alltek Technology (H.K.) Limited | Alltek Technology Corp.               | Trade receivables from related parties | Yes                | 1,592,500                         | 1,592,500      | -                             | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 5,441,416                                           | 5,441,416                                    |
|                 |                                  | Alltek Technology (Shenzhen) Ltd.     | Trade receivables from related parties | Yes                | 33,404                            | 32,286         | 32,286                        | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 5,441,416                                           | 5,441,416                                    |
|                 |                                  | Alltek Technology (Singapore) Pte Ltd | Trade receivables from related parties | Yes                | 63,700                            | 63,700         | -                             | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 5,441,416                                           | 5,441,416                                    |
|                 |                                  | All Plus Co., Ltd                     | Trade receivables from related parties | Yes                | 2,229,500                         | 2,229,500      | 1,106,398                     | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 5,441,416                                           | 5,441,416                                    |
| 4               | Alltek Group Corp.               | Alltek Technology (H.K.) Limited      | Trade receivables from related parties | Yes                | 652,925                           | -              | -                             | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 1,919,877                                           | 1,919,877                                    |
|                 |                                  | Alltek Technology Corp.               | Trade receivables from related parties | Yes                | 668,850                           | 668,850        | 652,925                       | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 1,919,877                                           | 1,919,877                                    |
| 5               | YMY Co., Ltd.                    | Alltek Technology (Shenzhen) Ltd.     | Trade receivables from related parties | Yes                | 18,705                            | 18,705         | -                             | According to mutual agreement | Short-term accommodation of funds | -                                  | Operating turnover                     | -                                   | -          | -     | 22,313                                              | 22,313                                       |

Note 1: a. 0: Investors.  
b. The investee companies are numbered in order by company, starting with the Arabic number 1.

Note 2: a. No. 0: Alltek Technology Corp.  
  
The maximum amount for individual enterprise is \$5,639,115 (net worth as per latest financial report) × 10% = \$563,912  
The aggregate financing limits is \$5,639,115 (net worth as per latest financial report) × 50% = \$2,819,558

b. No. 1: Pantek Global Corp.  
  
The maximum amount for individual subsidiaries is \$161,518 (net worth as per latest financial report) × 100% = \$161,518  
The aggregate financing limits is \$161,518 (net worth as per latest financial report) × 100% = \$161,518

c. No. 2: All Plus Co., Ltd.  
  
The maximum amount for individual subsidiaries is \$1,254,005 (net worth as per latest financial report) × 200% = \$2,508,010  
The aggregate financing limits is \$1,254,005 (net worth as per latest financial report) × 200% = \$2,508,010

(Continued)

d. No. 3: Alltek Technology (H.K.) Limited

The maximum amount for individual subsidiaries is \$2,720,708 (net worth as per latest financial report) × 200% = \$5,441,416  
The aggregate financing limits is \$2,720,708 (net worth as per latest financial report) × 200% = \$5,441,416

e. No. 4: Alltek Group Corp.

The maximum amount for individual subsidiaries is \$1,919,877 (net worth as per latest financial report) × 100% = \$1,919,877  
The aggregate financing limits is \$1,919,877 (net worth as per latest financial report) × 100% = \$1,919,877

f. No. 5: YMY Co., Ltd.

The maximum amount for individual subsidiaries is \$22,313 (net worth as per latest financial report) × 100% = \$22,313  
The aggregate financing limits is \$22,313 (net worth as per latest financial report) × 100% = \$22,313

Note 3: The above transactions have been eliminated on consolidation.

(Concluded)

TABLE 2

ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE SIX MONTHS ENDED JUNE 30, 2026  
(In Thousands of New Taiwan Dollars)

| No.<br>(Note 1) | Endorser/Guarantor      | Guarantee                        |                          | Limits on<br>Endorsement/<br>Guarantee<br>Given on<br>Behalf of Each<br>Party (Note 3) | Maximum<br>Amount<br>Endorsed/<br>Guaranteed<br>During the<br>Period | Outstanding<br>Endorsement/<br>Guarantee at<br>the End of the<br>Period | Actual<br>Borrowing<br>Amount | Amount<br>Endorsed/<br>Guaranteed by<br>Collaterals | Ratio of<br>Accumulated<br>Endorsement/<br>Guarantee to<br>Net Equity in<br>Latest<br>Financial<br>Statements<br>(%) | Aggregate<br>Endorsement/<br>Guarantee<br>Limit (Note 3) | Endorsement/<br>Guarantee<br>Given by<br>Parent on<br>Behalf of<br>Subsidiaries | Endorsement/<br>Guarantee<br>Given by<br>Subsidiaries<br>on Behalf of<br>Parent | Endorsement/<br>Guarantee<br>Given on<br>Behalf of<br>Companies in<br>Mainland<br>China |
|-----------------|-------------------------|----------------------------------|--------------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
|                 |                         | Name                             | Relationship<br>(Note 2) |                                                                                        |                                                                      |                                                                         |                               |                                                     |                                                                                                                      |                                                          |                                                                                 |                                                                                 |                                                                                         |
| 0               | Alltek Technology Corp. | Alltek Technology (H.K.) Limited | b                        | \$ 14,097,788                                                                          | \$ 3,022,565                                                         | \$ 2,704,065                                                            | \$ -                          | \$ -                                                | 47.95                                                                                                                | \$ 16,917,345                                            | Y                                                                               | N                                                                               | N                                                                                       |
|                 |                         | Pantek Technology Corp.          | b                        | 14,097,788                                                                             | 753,575                                                              | 753,575                                                                 | 17,072                        | -                                                   | 13.36                                                                                                                | 16,917,345                                               | Y                                                                               | N                                                                               | N                                                                                       |
|                 |                         | Alder Optomechanical Corp.       | b                        | 14,097,788                                                                             | 264,861                                                              | 257,361                                                                 | 257,361                       | -                                                   | 4.56                                                                                                                 | 16,917,345                                               | Y                                                                               | N                                                                               | N                                                                                       |
| 1               | Pantek Technology Corp. | Pantek Global Corp.              | c                        | 1,272,622                                                                              | 38,220                                                               | 38,220                                                                  | 10,925                        | -                                                   | 6.01                                                                                                                 | 1,590,778                                                | Y                                                                               | N                                                                               | N                                                                                       |

Note 1: a. 0: Investors.  
b. The investee companies are numbered in order by company, starting with the Arabic number 1.

Note 2: a. Trading partner.  
b. Subsidiaries directly held over 50% equity.  
c. Company that directly or indirectly holds more 50% of the shares in investees.  
d. Company where investees directly or indirectly holds of or exceeding 50% of its voting shares.  
e. Guaranteed by the Company according to the construction contract.  
f. An investee company. The guarantees were provided based on the Company’s proportionate share in the investee company.  
g. Joint and several guaranteed by the Company according to the pre-construction contract under Consumer Protection Act.

Note 3: a. No. 0: Alltek Technology Corp.

Endorsement/guarantee given on direct/indirect voting rights over fifty percent (50%). The maximum amount for endorsement guarantee is \$5,639,115 (net worth as per latest financial report) × 250% = \$14,097,788  
The maximum amount for endorsement guarantee is \$5,639,115 (net worth as per latest financial report) × 300% = \$16,917,345

b. No. 1: Pantek Technology Corp.

Endorsement/guarantee given on direct/indirect voting rights over fifty percent (50%). The maximum amount for endorsement guarantee is \$636,311 (net worth as per latest financial report) × 200% = \$1,272,622  
The maximum amount for endorsement guarantee is \$636,311 (net worth as per latest financial report) × 250% = \$1,590,778

**TABLE 3**

**ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES**

**MARKETABLE SECURITIES HELD**  
**JUNE 30, 2026**  
**(In Thousands of New Taiwan Dollars)**

| Holding Company Name    | Type and Name of Marketable Securities                                           | Relationship with the Holding Company | Financial Statement Account             | June 30, 2026 |                 |                         |            | Note |
|-------------------------|----------------------------------------------------------------------------------|---------------------------------------|-----------------------------------------|---------------|-----------------|-------------------------|------------|------|
|                         |                                                                                  |                                       |                                         | Shares        | Carrying Amount | Percentage of Ownership | Fair Value |      |
| Alltek Technology Corp. | <u>Foreign unlisted shares - preference shares</u><br>Kneron Holding Corporation | N                                     | Financial assets at FVTPL - non-current | 496,587       | \$ 89,230       | -                       | \$ 89,230  | -    |

Note 1: Marketable securities in the table refer to shares, bonds, beneficiary certificates and other related securities within the scope of IFRS 9 “Financial Instruments”.

Note 2: This table discloses the marketable securities that the company has determined should be presented based on the principle of materiality.

Note 3: With respect to the information of subsidiaries, associates and joint ventures, please see Tables 7 and 8.

**TABLE 4**

**ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES**

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE SIX MONTHS ENDED JUNE 30, 2026  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| Company Name                     | Related Party | Relationship                                      | Transaction Details |            |               |               | Abnormal Transaction     |                           | Notes/Accounts Receivable (Payable) |               | Note |
|----------------------------------|---------------|---------------------------------------------------|---------------------|------------|---------------|---------------|--------------------------|---------------------------|-------------------------------------|---------------|------|
|                                  |               |                                                   | Purchase/<br>Sale   | Amount     | % to<br>Total | Payment Terms | Unit Price               | Payment Terms             | Ending Balance                      | % to<br>Total |      |
| Alltek Technology (H.K.) Limited | YMY Co., Ltd. | Second-tier subsidiary of Alltek Technology Corp. | Sales               | \$ 144,386 | 0.4           | 180 days      | Cost plus a fixed profit | No significant difference | Trade receivable<br>\$ 195,858      | 2.0           | -    |

Note: The above transactions have been eliminated on consolidation.

TABLE 5

ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
JUNE 30, 2026  
(In Thousands of New Taiwan Dollars)

| Company Name                     | Related Party                     | Relationship                                      | Trade Receivables            |                | Turnover Rate | Overdue |               | Amounts Received in Subsequent Period | Allowance for Impairment Loss |
|----------------------------------|-----------------------------------|---------------------------------------------------|------------------------------|----------------|---------------|---------|---------------|---------------------------------------|-------------------------------|
|                                  |                                   |                                                   | Financial Statement Accounts | Ending Balance |               | Amount  | Actions Taken |                                       |                               |
| Alltek Group Corp.               | Alltek Technology Corp.           | Ultimate parent company                           | Other receivables            | \$ 652,925     | -             | \$ -    | -             | \$ -                                  | \$ -                          |
| All Plus Co., Ltd.               | Alltek Technology Corp.           | Ultimate parent company                           | Other receivables            | 1,841,151      | -             | -       | -             | -                                     | -                             |
|                                  | Alltek Technology (Shenzhen) Ltd. | Second-tier subsidiary of Alltek Technology Corp. | Trade receivables            | 97,445         | 1.41          | -       | -             | -                                     | -                             |
|                                  | Alltek Technology (Shenzhen) Ltd. | Second-tier subsidiary of Alltek Technology Corp. | Other receivables            | 139,401        | -             | -       | -             | -                                     | -                             |
| Alltek Technology (H.K.) Limited | YMY Co., Ltd.                     | Second-tier subsidiary of Alltek Technology Corp. | Trade receivables            | 195,858        | 1.49          | -       | -             | -                                     | -                             |
|                                  | All Plus Co., Ltd.                | Second-tier subsidiary of Alltek Technology Corp. | Other receivables            | 1,106,398      | -             | -       | -             | -                                     | -                             |
|                                  | Alltek Technology (Shenzhen) Ltd. | Second-tier subsidiary of Alltek Technology Corp. | Trade receivables            | 68,965         | 1.85          | -       | -             | -                                     | -                             |
|                                  | Alltek Technology (Shenzhen) Ltd. | Second-tier subsidiary of Alltek Technology Corp. | Other receivables            | 32,286         | -             | -       | -             | -                                     | -                             |
| Pantek Global Corp.              | Pantek Trade (Shenzhen) Co., Ltd. | Subsidiary company                                | Other receivables            | 149,982        | -             | -       | -             | -                                     | -                             |
|                                  | Pantek Trade (Shenzhen) Co., Ltd. | Subsidiary company                                | Trade receivables            | 5,791          | 1.46          | -       | -             | -                                     | -                             |

Note: The above transactions have been eliminated on consolidation.

**TABLE 6**

**ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES**

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS  
FOR THE SIX MONTHS ENDED JUNE 30, 2026  
(In Thousands of New Taiwan Dollars)**

| No.<br>(Note 1) | Investee Company                       | Counterparty                            | Relationship<br>(Note 2) | Transactions Details         |           |                           |                               |
|-----------------|----------------------------------------|-----------------------------------------|--------------------------|------------------------------|-----------|---------------------------|-------------------------------|
|                 |                                        |                                         |                          | Financial Statement Accounts | Amount    | Payment Terms             | % to Total<br>Sales or Assets |
| 0               | Alltek Technology Corp.                | All Plus Co., Ltd.                      | a                        | Sales revenue                | \$ 33,844 | No significant difference | -                             |
|                 |                                        | Alltek Technology (H.K.) Limited        | a                        | Sales revenue                | 76,372    | No significant difference | -                             |
|                 |                                        | Alltek Marine Electronics Corp.         | a                        | Other receivables            | 13,140    | -                         | -                             |
| 1               | Alltek Group Corp                      | Alltek Technology Corp.                 | b                        | Other receivables            | 652,925   | -                         | 3                             |
| 2               | All Plus Co., Ltd.                     | Alltek Technology Corp.                 | b                        | Sales revenue                | 15,184    | No significant difference | -                             |
|                 |                                        | Alltek Technology Corp.                 | b                        | Other receivables            | 1,841,151 | -                         | 8                             |
|                 |                                        | Alltek Technology (Singapore) Pte. Ltd. | c                        | Other receivables            | 10,351    | -                         | -                             |
|                 |                                        | Alltek Technology (Shenzhen) Ltd.       | c                        | Sales revenue                | 68,371    | No significant difference | -                             |
|                 |                                        | Alltek Technology (Shenzhen) Ltd.       | c                        | Trade receivables            | 97,445    | No significant difference | -                             |
|                 |                                        | Alltek Technology (Shenzhen) Ltd.       | c                        | Other receivables            | 139,401   | -                         | 1                             |
|                 |                                        | YMY Co., Ltd.                           | c                        | Sales revenue                | 44,753    | No significant difference | -                             |
|                 |                                        | YMY Co., Ltd.                           | c                        | Trade receivables            | 61,043    | No significant difference | -                             |
| 3               | Alltek Technology (H.K.) Limited       | Alltek Technology Corp.                 | b                        | Sales revenue                | 41,784    | No significant difference | -                             |
|                 |                                        | All Plus Co., Ltd.                      | c                        | Sales revenue                | 73,445    | No significant difference | -                             |
|                 |                                        | All Plus Co., Ltd.                      | c                        | Other receivables            | 1,106,398 | -                         | 5                             |
|                 |                                        | Alltek Technology (Shenzhen) Ltd.       | c                        | Sales revenue                | 63,460    | No significant difference | -                             |
|                 |                                        | Alltek Technology (Shenzhen) Ltd.       | c                        | Trade receivables            | 68,965    | No significant difference | -                             |
|                 |                                        | Alltek Technology (Shenzhen) Ltd.       | c                        | Other receivables            | 32,286    | -                         | -                             |
|                 |                                        | YMY Co., Ltd.                           | c                        | Sales revenue                | 144,386   | No significant difference | -                             |
|                 |                                        | YMY Co., Ltd.                           | c                        | Trade receivables            | 195,858   | No significant difference | 1                             |
| 4               | Alltek Technology (Shenzhen) Co., Ltd. | All Plus Co., Ltd.                      | c                        | Other income                 | 23,218    | -                         | -                             |
|                 |                                        | Alltek Technology (H.K.) Limited        | c                        | Other income                 | 46,503    | -                         | -                             |
| 5               | YMY Co., Ltd.                          | Alltek Technology (Shenzhen) Ltd.       | c                        | Other receivables            | 42,087    | -                         | -                             |
|                 |                                        | All Plus Co., Ltd.                      | c                        | Other income                 | 18,925    | -                         | -                             |
| 6               | Pantek Technology Corp.                | Pantek Global Corp.                     | c                        | Sales revenue                | 58,399    | No significant difference | -                             |
|                 |                                        | Pantek Global Corp.                     | c                        | Trade receivables            | 16,819    | No significant difference | -                             |
| 7               | Pantek Global Corp.                    | Pantek Trade (Shenzhen) Co., Ltd.       | c                        | Other receivables            | 149,982   | -                         | 1                             |
| 8               | Pantek Trade (Shenzhen) Co., Ltd.      | Pantek Global Corp.                     | c                        | Other income                 | 11,120    | -                         | -                             |

(Continued)

Note 1: The intercompany transactions between each company are identified and numbered as follow:

- a. Parent company: 0.
- b. Subsidiaries are started from 1 consecutively.

Note 2: Categories of transactions with related parties:

- a. Parent company to subsidiary.
- b. Subsidiary to parent company.
- c. Subsidiary to subsidiary.

Note 3: The above transactions have been eliminated on consolidation.

(Concluded)

TABLE 7

ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES

INFORMATION ON INVESTEEES  
FOR THE SIX MONTHS ENDED JUNE 30, 2026  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

| Investor Company        | Investee Company                        | Location               | Main Businesses and Products                                                                   | Original Investment Amount |                   | Balance as of June 30, 2026 |     |                 | Net Income (Loss) of the Investee | Share of Profits (Loss) | Note       |
|-------------------------|-----------------------------------------|------------------------|------------------------------------------------------------------------------------------------|----------------------------|-------------------|-----------------------------|-----|-----------------|-----------------------------------|-------------------------|------------|
|                         |                                         |                        |                                                                                                | June 30, 2026              | December 31, 2025 | Shares                      | %   | Carrying Amount |                                   |                         |            |
| Alltek Technology Corp. | Pantek Technology Corp.                 | Taiwan                 | Distributor of electronic parts and components                                                 | \$ 588,132                 | \$ 588,132        | 53,200                      | 100 | \$ 636,838      | \$ 5,586                          | \$ 5,590                | Subsidiary |
|                         | Alltek Marine Electronics Corp.         | Taiwan                 | Manufacturing of wireless communication machinery and equipment                                | 171,622                    | 171,622           | 13,140                      | 53  | 167,413         | (1,170)                           | (1,463)                 | Subsidiary |
|                         | General Life Biotechnology Co., Ltd.    | Taiwan                 | Wholesale and manufacturing of medical devices and equipment                                   | 70,072                     | 70,072            | 6,923                       | 23  | 145,590         | 40,185                            | 9,273                   | Associate  |
|                         | Alltek Technology (Singapore) Pte. Ltd. | Singapore              | Distributor of electronic parts and components                                                 | 10,929                     | 10,929            | 500                         | 100 | -               | (1,953)                           | (1,953)                 | Subsidiary |
|                         | Alder Optomechanical Corp.              | Taiwan                 | Wholesale and manufacturing of lighting equipment                                              | 102,056                    | 101,200           | 9,043                       | 52  | 41,051          | (9,941)                           | (5,098)                 | Subsidiary |
|                         | Alltek Group Corp.                      | Seychelles             | Investment and trading                                                                         | 71,477                     | 71,477            | 1,000                       | 100 | 1,992,939       | 46,639                            | 46,639                  | Subsidiary |
|                         | Yuban Technology Co., Ltd.              | Taiwan                 | Wholesale of electrical appliances, telecommunication equipment and information software       | 191,862                    | 191,862           | 9,157                       | 15  | 226,227         | 120,648                           | 18,097                  | Associate  |
|                         | Alltek Technology (H.K.) Limited        | Hong Kong              | Electronic components distributor                                                              | US\$ 28,759                | US\$ 28,759       | 222,450                     | 100 | 2,719,495       | 325,107                           | 324,415                 | Subsidiary |
|                         |                                         |                        |                                                                                                |                            |                   |                             |     |                 |                                   |                         |            |
| Pantek Technology Corp. | Pantek Global Corp.                     | Seychelles             | Electronic components distributor                                                              | US\$ 4,750                 | US\$ 4,750        | 4,750                       | 100 | 153,176         | (6,129)                           | N/A                     | Subsidiary |
|                         | Yuban Technology Co., Ltd.              | Taiwan                 | Wholesale of electrical appliances, telecommunication equipment and information software, etc. | 127,908                    | 127,908           | 6,105                       | 10  | 150,818         | 120,648                           | 12,065                  | Associate  |
| Alltek Group Corp.      | All Plus Co., Ltd.                      | British Virgin Islands | Electronic components distributor                                                              | US\$ 251                   | US\$ 251          | 50                          | 100 | US\$ 40,731     | US\$ 877                          | N/A                     | Subsidiary |
|                         | All Pan Co., Ltd.                       | Seychelles             | Investment and trading                                                                         | US\$ 750                   | US\$ 750          | 750                         | 100 | US\$ 1,355      | US\$ 613                          | N/A                     | Subsidiary |

Note 1: With respect to the information of investee company in mainland China, please refer to Table 8.

Note 2: The above transactions have been eliminated on consolidation.

TABLE 8

ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE SIX MONTHS ENDED JUNE 30, 2026  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

| Investor Company        | Investee Company                                   | Main Businesses and Products                                                                           | Paid-in Capital | Method of Investment (Note 1) | Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2026 | Remittance of Funds |        | Accumulated Outward Remittance for Investment from Taiwan as of June 30, 2026 | Net Income (Loss) of the Investee | % Ownership of Direct or Indirect Investment | Investment Gain (Loss) (Note 2) | Carrying Amount as of June 30, 2026 | Accumulated Repatriation of Investment Income as of June 30, 2026 |
|-------------------------|----------------------------------------------------|--------------------------------------------------------------------------------------------------------|-----------------|-------------------------------|---------------------------------------------------------------------------------|---------------------|--------|-------------------------------------------------------------------------------|-----------------------------------|----------------------------------------------|---------------------------------|-------------------------------------|-------------------------------------------------------------------|
|                         |                                                    |                                                                                                        |                 |                               |                                                                                 | Outward             | Inward |                                                                               |                                   |                                              |                                 |                                     |                                                                   |
| Alltek Technology Corp. | Alltek Technology (Shenzhen) Ltd.<br>YMY Co., Ltd. | Selling and marketing of communication components<br>Selling and marketing of communication components | CNY 13,270      | b, 1)                         | US\$ 250<br>(\$ 7,858)                                                          | \$ -                | \$ -   | US\$ 250<br>(\$ 7,963)                                                        | \$ 2,650                          | 100                                          | \$ 2,650                        | \$ (10,318)                         | \$ -                                                              |
|                         |                                                    |                                                                                                        | US\$ 750        | b, 2)                         | US\$ 500<br>(\$ 15,715)                                                         | -                   | -      | US\$ 500<br>(\$ 15,925)                                                       | 19,386                            | 100                                          | 19,386                          | 43,119                              | -                                                                 |
| Pantek Technology Corp. | Pantek Trade (Shenzhen) Co., Ltd.                  | Selling and marketing of communication components                                                      | US\$ 4,500      | b, 3)                         | US\$ 3,000<br>(\$ 94,290)                                                       | -                   | -      | US\$ 3,000<br>(\$ 95,550)                                                     | (3,804)                           | 100                                          | (3,804)                         | (136,774)                           | -                                                                 |
| Alltek Group Corp.      | Pantek Trade (Shenzhen) Co., Ltd.                  | Selling and marketing of communication components                                                      | US\$ 4,500      | b, 4)                         | US\$ 1,500<br>(\$ 47,145)                                                       | -                   | -      | US\$ 1,500<br>(\$ 47,775)                                                     | (3,804)                           | -                                            | -                               | -                                   | -                                                                 |

| Investor Company        | Accumulated Outward Remittance for Investment in Mainland China as of June 30, 2026 | Investment Amounts Authorized by Investment Commission, MOEA | Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 3) |
|-------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| Alltek Technology Corp. | US\$ 750<br>(\$ 23,888)                                                             | US\$ 750<br>(\$ 23,888)                                      | \$ 3,383,469                                                                               |
| Pantek Technology Corp. | US\$ 3,000<br>(\$ 95,550)                                                           | US\$ 3,000<br>(\$ 95,550)                                    | 381,787                                                                                    |
| Alltek Group Corp.      | US\$ 1,500<br>(\$ 47,775)                                                           | US\$ 1,500<br>(\$ 47,775)                                    | 1,151,926                                                                                  |

Note 1: Investment types are classified as follows:

- a. The investment was made directly in China.
- b. The investment was made through a company registered in a third region:

1) Reinvested by Alltek Technology (H.K.) Limited.  
2) Reinvested by All Pan Co., Ltd.  
3) Reinvested by Pantek Global Corp.  
4) Directly invested by Alltek Group Corp.
- c. Other types.

Note 2: Investment income or loss was recognized according to the financial statement without review.

Note 3: The total amount invested in mainland China shall not exceed 60% of the net worth of Alltek Technology Corp. partners.  
\$5,639,115 × 60% = \$3,383,469

The total amount invested in mainland China shall not exceed 60% of the net worth of Pantek Technology Corp. partners.  
\$636,311 × 60% = \$381,787

The total amount invested in mainland China shall not exceed 60% of the net worth of Alltek Group Corp. partners.  
\$1,919,877 × 60% = \$1,151,926

Note 4: The above transactions have been eliminated on consolidation.

**TABLE 9**

**ALLTEK TECHNOLOGY CORP. AND SUBSIDIARIES**

**SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES  
FOR THE SIX MONTHS ENDED JUNE 30, 2026  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| Investee Company                  | Transaction Type | Purchase/Sale |   | Price                    | Transaction Details            |                                    | Notes/Trade Receivable (Payable) |   | Unrealized (Gain) Loss |
|-----------------------------------|------------------|---------------|---|--------------------------|--------------------------------|------------------------------------|----------------------------------|---|------------------------|
|                                   |                  | Amount        | % |                          | Payment Term                   | Comparison with Normal Transaction | Ending Balance                   | % |                        |
| YMY Co., Ltd.                     | Sales            | \$ 189,139    | - | Cost plus a fixed profit | 180 days after monthly closing | No significant differences         | \$ 256,901                       | 2 | \$ 2,173               |
| Alltek Technology (Shenzhen) Ltd. | Sales            | 131,831       | - | Cost plus a fixed profit | 180 days after monthly closing | No significant differences         | 166,410                          | 2 | -                      |

Note: The above transactions have been eliminated on consolidation.