Stock Code on TPEx: 6126

SINGATRON ENTERPRISE CO., LTD. and subsidiaries

Consolidated Financial Statements and Independent Auditor's Report

2025 and 2024

Company Address: No. 209, Section 2, Zhongzheng Road, Hukou Township, Hsinchu County
Company TEL: (03)599-2862

Consolidated Financial Statements

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Statement

We hereby declare that we have confirmed the companies which shall be included in the consolidated financial statements of the affiliates and the ones which shall be included in the consolidated financial statements in accordance with IFRS 10 are identical; the related information has been disclosed in consolidated financial statements and will hence not be included in consolidated financial statements of the affiliates for the year ended in 2025, (January 1, 2025–December 31, 2025) in accordance with the Criteria Governing Preparation of Affiliation Reports and Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises.

Declared by

Company name:
SINGATRON ENTERPRISE CO., LTD.

Person in Charge: Hsin-Nan Kan

March 12, 2026

安永聯合會計師事務所
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Independent Auditors' Report

To the Board of Directors and shareholders of SINGATRON ENTERPRISE CO., LTD.:

Audit opinions

The Consolidated Balance Sheets of SINGATRON ENTERPRISE CO., LTD. and its subsidiaries as of December 31, 2025 and December 31, 2024, and the Consolidated Comprehensive Profit and Loss Statement, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the periods from January 1 to December 31, 2025 and January 1 to December 31, 2024, And the Notes to the Consolidated Financial Statements (including the summary of significant accounting policies) have been verified by the Accountant.

In our opinion, and based on our audit and the audit reports of other CPAs (please refer to the "Other Matters" section), the consolidated financial statements referred to above present fairly, in all material respects, the financial position of SINGATRON ENTERPRISE CO., LTD. and its subsidiaries as of December 31, 2025 and 2024, and its consolidated financial performance and cash flows for the years then ended, in conformity with the requirements of regulations governing the preparation of financial statements by securities issuers and International Financial Reporting Standards, International Accounting Standards, and Interpretations endorsed and issued into effect by the Financial Supervisory Commission.

The basis for opinion

We conducted our audits in accordance with the Regulation Governing Auditing and Certification of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. The auditors of the firm, subject to the independence regulations, have maintained independence from SINGATRON ENTERPRISE CO., LTD. and its subsidiaries in accordance with the Code of Ethics and perform other obligations of such Code. Based on our audit results and the audit reports of other accountants, we believe that we have obtained sufficient and appropriate audit evidence as the basis for expressing the audit opinion.

Key Audit Matters

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

Revenue recognition

For 2025, SINGATRON ENTERPRISE CO., LTD. and its subsidiaries recognized an operating revenue of NTD 3,899,697 thousand. The Company and its subsidiaries have agreements with their major customers to store inventory at the designated shipping warehouses of these sales customers. The Company and its subsidiaries have to judge and determine the performance obligations and the timing of satisfaction based on customer orders or shipping documents, which involves significant risk of ownership of inventory and complexity of the point of transfer of remuneration, resulting in significant risk in the recognition of operating revenue. Therefore, we decided that revenue recognition is a key audit matter. Our audit procedures included, but were not limited to, evaluating the appropriateness of accounting policies for revenue recognition, evaluating and testing the effectiveness of internal control over the sales cycle in determining revenue amounts, performing sales revenue cutoff tests on a sample of transactions for a period of time before and after the balance sheet date and reviewing whether the terms of the transactions and the timing of revenue recognition are consistent with the performance obligations and the timing of satisfaction, performing itemized tests on a sample of transactions and reviewing the material terms and conditions of the contracts. We also considered the appropriateness of the disclosure of operating revenue in Notes 4 and 6 to the Consolidated Financial Statements.

Allowance for losses on accounts receivable

The carrying amounts of the consolidated accounts receivable and allowance for losses of SINGATRON ENTERPRISE CO., LTD. and its subsidiaries as of December 31, 2025 were NTD 1,871,501 thousand and NTD 21,444 thousand, respectively. The net accounts receivable accounted for 18% of the consolidated total assets, which is significant for SINGATRON ENTERPRISE CO., LTD. and its subsidiaries. Since the allowance for losses on accounts receivable is measured based on the expected credit losses over the duration of continuation, the measurement process requires appropriate groupings of accounts receivable and judgmental and analysis of the application of assumptions related to the measurement process and the measurement result affects the net accounts receivable and, therefore, we consider it to be a critical audit. Our audit procedures included, but were not limited to, analyzing the appropriateness of management's grouping of accounts receivable to determine whether customers with significantly different loss profiles (based on similar risk characteristics) were appropriately grouped (e.g. based on historical experience); testing the reserve matrix used by SINGATRON ENTERPRISE CO., LTD. and its subsidiaries including assessing the reasonableness of the determination of the ageing range of each group of accounts receivable and checking the correctness of the original certificates against the underlying information; reviewing the collection status of accounts receivable in the subsequent period to assess the collectability of accounts receivable; analyzing the changes in the long-term trend of credit losses and the turnover rate of accounts receivable, and confirming whether any impairment occurred at the end of the period. We also considered the appropriateness of the disclosure of accounts receivable and related risks in Notes 5 and 6 to the Consolidated Financial Statements.

Other Matters - Audits by other CPAs

The financial statements of investees of SINGATRON ENTERPRISE CO., LTD accounted for using the equity method have not been audited by us but by other CPAs. Therefore, our opinion on the figures of the investees in the consolidated financial statements is based on the audit reports of other independent auditors. As of December 31, 2025, and December 31, 2024, investments in these investee companies accounted for using the equity method amounted to NTD 819,439 thousand and NTD 760,523 thousand, respectively, representing 8% and 8% of total consolidated assets. For the years ended December 31, 2025 and 2024, the share of profit (loss) of associates and joint ventures accounted for using the equity method amounted to NTD 24,329 thousand and NTD 33,955 thousand, respectively, representing 9% and 11% of consolidated net profit before tax. The share of other comprehensive income of associates and joint ventures accounted for using the equity method amounted to NTD 1,214 thousand and NTD 6,496 thousand, respectively, representing (1)% and 2% of consolidated other comprehensive income, net.

Responsibilities of Management Level and Those Charged with Governance for 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 the IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the R.O.C., and for necessary internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is also responsible for assessing the ability of SINGATRON ENTERPRISE CO., LTD. and its subsidiaries to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate SINGATRON ENTERPRISE CO., LTD. and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, Including the Audit Committee, are responsible for overseeing the financial reporting process of SINGATRON ENTERPRISE CO., LTD. and its subsidiaries.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. The term of "reasonable assurance" refers to high level of assurance. Nevertheless, the audit performed according to the Auditing Standards cannot guarantee the discovery of material misstatement in the consolidated financial statements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

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

1. Identify and assess the risk of material misstatement of the consolidated financial statements due to fraud or error, design and adopt appropriate countermeasures for the risks assessed, and obtain sufficient and appropriate audit evidence in order to be used as the basis for the opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of SINGATRON ENTERPRISE CO., LTD. and its subsidiaries.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management level.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of SINGATRON ENTERPRISE CO., LTD. and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause SINGATRON ENTERPRISE CO., LTD. and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including relevant notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence for the financial information of individual entities of the Group and provide opinion on the consolidated financial statements. We handle the guidance, supervision and execution of the audit on the Group and are responsible for preparing the opinion for the Group.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the governance units with statements that we have complied with relevant matters that may reasonably be thought to bear on our independence, and we have also communicated with the governance units on all relationships and other matters (including relevant protective measures) that may be considered to affect the independence of auditors.

From the matters communicated with those charged with governance, we determine those matters that were of most significant in the audit of the 2025 consolidated financial statements of SINGATRON ENTERPRISE CO., LTD. and its subsidiaries and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

Singatron Enterprise Co., Ltd. has prepared its parent company only financial statements for the years 2025 and 2024, which have been audited by the accountant who has issued an unqualified audit report with an Other Matters paragraph for reference.

Ernst and Young
Approved by the competent authorities for the processing of financial statements of public companies.
Audit Document No.:
(2022) Jin-Guan-Zheng-Shen-Zi No. 1110348358
(2002) Tai-Cai-Zheng (6) Zi No. 144183

Cheng-Wei Lin

Certified Public Accountant:

Chi-Ming Chang

March 12, 2026

Notice to Readers

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

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

SINGATRON ENTERPRISE CO., LTD. and subsidiaries

Consolidated Balance Sheets

December 31, 2025 and December 31, 2024

(Amounts are in thousands of NTD)

Assets					December 31, 2024	
Code	Accounting item	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4 and 6.1	$2,125,240	20	$4,898,212	52
1110	Financial assets at fair value through profit or loss	4 and 6.2	13,864	-	8,944	-
1136	Financial assets at amortized cost	4 and 6.4	2,056,940	20	91,216	1
1150	Notes receivable, net	4, 6.5, and 6.22	104,257	1	20,400	-
1170	Accounts receivable, net	4, 6.6, and 6.22	1,755,044	17	1,188,989	13
1180	Accounts receivable - related parties	4, 6.6, 6.22, and 7	95,013	1	76,804	1
1200	Other receivables		25,597	-	12,314	-
1220	Current income tax assets	4 and 6.27	8,288	-	5,003	-
130x	Net inventories	4 and 6.7	652,951	6	428,422	4
1419	Other prepaid expenses		60,548	1	68,853	1
1421	Prepayment for purchases		7,885	-	362	-
1470	Other current assets		515	-	45	-
11xx	Total current assets		6,906,142	66	6,799,564	72
	Non-current assets					
1517	Financial assets at fair value through other comprehensive income	4 and 6.3	15,410	-	6,410	-
1535	Financial assets at amortized cost	4 and 6.4	447,161	4	729,731	8
1550	Investment accounted for using the equity method	4, 6.8 and 8	857,741	8	760,523	8
1600	Property, plant and equipment	4, 6.9, 7 and 8	1,283,556	12	889,349	10
1755	Right-of-use assets	4 and 6.23	95,810	1	72,642	1
1760	Investment properties	4 and 6.10	23,911	-	28,874	-
1780	Intangible assets	4 and 6.11	732,526	7	34,369	-
1840	Deferred tax income assets	4 and 6.27	43,085	1	46,163	1
1920	Refundable deposits		12,745	-	19,856	-
1960	Prepayments for Investments		40,000	1	10,000	-
15xx	Total non-current assets		3,551,945	34	2,597,917	28
1xxx	Total assets		$10,458,087	100	$9,397,481	100

(Please refer to Notes to Consolidated Financial Statements)

Chairperson: Hsin-Nan Kan　　Managerial Officer: Cheng-Gang Yang　　Accounting Officer: Rui-Chen Hu

SINGATRON ENTERPRISE CO., LTD. and subsidiaries
Consolidated Balance Sheets (Continued)
December 31, 2025 and December 31, 2024
(Amounts are in thousands of NTD)

Liabilities and equities					December 31, 2024	
Code	Accounting item	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	4, 6.12 and 8	$879,148	9	$530,000	6
2110	Short-term notes payable	4 and 6.13	29,994	-	-	-
2120	Financial liabilities at fair value through profit or loss	4 and 6.14	-	-	3,961	-
2130	Contract liabilities	4 and 6.21	4,358	-	3,886	-
2170	Accounts payable		981,085	9	700,359	7
2180	Accounts payable - related parties	7	2,902	-	-	-
2200	Other payables	6.16 and 9.1	553,145	5	424,353	5
2220	Other payables - related parties	7	118,497	1	716	-
2230	Current tax liabilities	4 and 6.27	15,507	-	16,122	-
2280	Lease liabilities	4 and 6.23	25,946	-	19,279	-
2300	Other current liabilities		50,699	1	198	-
2321	Bonds payable or corporate bonds with put options exercisable within one year or operating cycle	4 and 6.17	197,381	2	192,766	2
2322	Long-term loans due within one year	4, 6.15 and 8	202,683	2	187,500	2
21xx	Total current liabilities		3,061,345	29	2,079,140	22
	Non-current liabilities					
2540	Long-term loans	4, 6.15 and 8	332,416	3	470,215	5
2570	Deferred income tax liabilities	4 and 6.27	472,402	5	480,650	5
2580	Lease liabilities	4 and 6.23	41,332	-	19,559	1
2600	Other non-current liabilities	6.18, 6.19 and 7	297,363	3	15,724	-
25xx	Total non-current liabilities		1,143,513	11	986,148	11
2xxx	Total Liabilities		4,204,858	40	3,065,288	33
31xx	Equity attributable to owners of the parent company					
3100	Share capital	6.20				
3110	Common share capital		1,278,269	12	1,278,269	14
3200	Capital surplus	6.20	1,774,078	17	1,774,441	19
3300	Retained earnings	6.20				
3310	Legal reserve		131,078	1	118,703	1
3320	Special reserve		30,933	-	156,909	2
3350	Unappropriated earnings		315,833	3	207,146	2
3400	Other equity		(47,422)	-	28,804	-
3500	Treasury stock	6.20	(29,030)	-	-	-
36xx	Non-controlling interests	6.20 and 6.29	2,799,490	27	2,767,921	29
3xxx	Total equity		6,253,229	60	6,332,193	67
3x2x	Total liabilities and equities		$10,458,087	100	$9,397,481	100

(Please refer to Notes to Consolidated Financial Statements)

Chairperson: Hsin-Nan Kan   Managerial Officer: Cheng-Gang Yang   Accounting Officer: Rui-Chen Hu

SINGATRON ENTERPRISE CO., LTD. and subsidiaries
Consolidated Statements of Comprehensive Income
January 1 to December 31, 2025
and January 1 to December 31, 2024
(Amounts in thousands of NTD, except for earnings per share)

Code	Accounting item	Notes	2025 Amount	2025 %	2024 Amount	2024 %
4000	Operating revenue	4, 6.21, and 7	$3,899,697	100	$3,630,786	100
5000	Operating costs		(2,975,539)	(76)	(2,796,395)	(77)
5900	Gross profit		924,158	24	834,391	23
6000	Operating expenses					
6100	Selling expenses	7 and 9.1	(251,731)	(6)	(226,464)	(6)
6200	Administrative expenses		(315,772)	(8)	(262,821)	(7)
6300	Research and development expenses		(137,302)	(4)	(136,688)	(4)
6450	Expected credit impairment loss (gain)	4 and 6.22	(1,018)	-	(1,110)	-
	Total operating expenses		(705,823)	(18)	(627,083)	(17)
6900	Net operating profit		218,335	6	207,308	6
7000	Non-operating income and expenses					
7010	Other income	6.25	84,135	2	108,210	3
7020	Other gains or losses	6.25	(29,742)	(1)	(10,839)	(1)
7050	Financial costs	4 and 6.25	(36,215)	(1)	(33,537)	(1)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method		23,748	1	33,955	1
	Total non-operating income and expenses		41,926	1	97,789	2
7900	Net profit before tax		260,261	7	305,097	8
7950	Income tax expense	4 and 6.27	(59,255)	(2)	(67,546)	(1)
8200	Net profit for the period		201,006	5	237,551	7
8300	Other comprehensive income	6.26				
8310	Items not reclassified subsequently to profit or loss					
8311	Remeasurement of defined benefit plans		843	-	1,148	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		(1,000)	-	-	-
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of the financial statements of foreign operations		(154,176)	(4)	363,238	10
8370	Share of other comprehensive income of associate companies and joint ventures under the equity method		1,194	-	6,496	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss		19,110	1	(44,804)	(1)
8300	Other comprehensive income for the period (net after tax)		(134,029)	(3)	326,078	9
8500	Total comprehensive income for the period		$66,977	2	$563,629	16
8600	Net profit attributable to:					
8610	Owners of the parent company		$90,114	2	$122,606	4
8620	Non-controlling interests		110,892	3	114,945	3
			$201,006	5	$237,551	7
8700	Total comprehensive income attributable to:					
8710	Owners of the parent company		$14,731	-	$309,467	9
8720	Non-controlling interests		52,246	2	254,162	7
			$66,977	2	$563,629	16
9750	Basic earnings per share (NTD)	6.28	$0.71		$0.98	
9850	Diluted earnings per share (NTD)	6.28	$0.70		$0.95	

(Please refer to Notes to Consolidated Financial Statements)

Chairperson: Hsin-Nan Kan Managerial Officer: Cheng-Gang Yang Accounting Officer: Rui-Chen Hu

SINGATRON ENTERPRISE CO., LTD. and subsidiaries

Consolidated Statement of Changes in Equity

January 1 to December 31, 2025

and January 1 to December 31, 2024

(Amounts are in thousands of NTD)

		Equity attributable to owners of the parent company										
				Retained earnings			Other items of equity					
		Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of the financial statements of foreign operations	Unrealized financial assets profit or loss measured at fair value through other comprehensive income	Treasury stock	Total	controlling int	Total equity
Code	Item	3100	3200	3310	3320	3350	3410	3420	3500	31XX	36XX	3XXX
A1	Balance as of January 1, 2024	$1,172,656	$1,597,567	$100,833	$125,538	$270,811	$(123,395)	$(33,514)	$-	$3,110,496	$2,626,567	$5,737,063
	2023 earnings appropriation and distribution											
B1	Provision of legal reserve			17,870		(17,870)				-		-
B3	Provision of special reserve				31,371	(31,371)				-		-
B5	Cash dividends on common stock					(138,178)				(138,178)		(138,178)
D1	Net profit for 2024					122,606				122,606	114,945	237,551
D3	Other comprehensive income for 2024					1,148	185,713	-		186,861	139,217	326,078
D5	Total comprehensive income for the period	-	-	-	-	123,754	185,713	-	-	309,467	254,162	563,629
I1	Conversion of convertible bonds	105,613	176,976							282,589		282,589
M7	Change in ownership interests in subsidiaries		(102)							(102)	102	-
O1	Increase or decrease in non-controlling interests									-	(112,910)	(112,910)
Z1	Balance as of December 31, 2024	1,278,269	1,774,441	118,703	156,909	207,146	62,318	(33,514)	-	3,564,272	2,767,921	6,332,193
	2024 earnings appropriation and distribution											
B1	Provision of legal reserve			12,375		(12,375)				-		-
B5	Cash dividends on common stock					(95,871)				(95,871)		(95,871)
B17	Reversal of special reserve				(125,976)	125,976				-		-
D1	Net profit for 2025					90,114				90,114	110,892	201,006
D3	Other comprehensive income for 2025					843	(75,226)	(1,000)		(75,383)	(58,646)	(134,029)
D5	Total comprehensive income for the period	-	-	-	-	90,957	(75,226)	(1,000)	-	14,731	52,246	66,977
L1	Stock Repurchase								(29,030)	(29,030)		(29,030)
M7	Change in ownership interests in subsidiaries		(363)							(363)	363	-
O1	Increase or decrease in non-controlling interests									-	(21,040)	(21,040)
Z1		$1,278,269	$1,774,078	$131,078	$30,933	$315,833	$(12,908)	$(34,514)	$(29,030)	$3,453,739	$2,799,490	$6,253,229

(Please refer to Notes to Consolidated Financial Statements)

Chairperson: Hsin-Nan Kan　　Managerial Officer: Cheng-Gang Yang　　Accounting Officer: Rui-Chen Hu

SINGATRON ENTERPRISE CO., LTD. and subsidiaries
Consolidated Statements of Cash Flows
January 1 to December 31, 2025
and January 1 to December 31, 2024
(Amounts are in thousands of NTD)

Code	Item	2025	2024
AAAA	Cash flows from operating activities		
A10000	Income before income tax	$260,261	$305,097
A20000	Adjustments:		
A20010	Income and expenses:		
A20100	Depreciation expenses (including investment property and right-of-use assets)	209,496	170,665
A20200	Amortization expenses	10,134	8,456
A20300	Expected credit impairment losses (gains)	1,018	1,110
A20400	Financial assets and liabilities at fair value through profit or loss	(9,433)	9,129
	Valuation (gain) loss		
A20900	Interest expenses	36,215	33,537
A21200	Interest income	(69,914)	(93,500)
A21300	Dividend income	(395)	(215)
A22400	Share of profit from associate companies and joint ventures under equity method	(23,748)	(33,955)
A22500	Loss (gain) on disposal of property, plant and equipment	8,580	16,019
A23100	Disposal of investment loss (gain)	76	-
A23700	Impairment losses on non-financial assets	4,407	-
A29900	Losses (gains) from lease modification	(111)	(21)
A30000	Changes in assets/liabilities related to operating activities:		
A31130	Notes receivable(increase)decrease	(59,098)	9,752
A31150	Decrease (increase) in accounts receivable	(163,561)	(114,480)
A31160	Decrease (increase) in accounts receivable - related parties	(18,209)	(10,867)
A31180	Decrease (increase) in other receivables	(4,437)	4,054
A31200	Decrease (increase) in inventories	(89,539)	(57,422)
A31230	Decrease (increase) in prepayments	4,515	(19,474)
A31240	Decrease (increase) in other non-current assets	(470)	994
A32125	Increase (decrease) in contract liabilities	472	1,475
A32150	Increase (decrease) in accounts payable	91,499	102,416
A32180	Increase (decrease) in other payables	32,447	15,889
A32190	Increase (decrease) in other payables - related parties	(123)	716
A32230	Increase (decrease) in other non-current liabilities	50,501	44
A32240	Increase (decrease) in net defined benefit liabilities	(2)	(171)
A33000	Cash inflows (outflows) from operating activities	270,581	349,248
A33100	Interest received	60,525	85,529
A33200	Dividends received	28,510	22,259
A33300	Interest paid	(30,156)	(24,618)
A33500	Income tax paid	(48,665)	(56,391)
AAAA	Net cash inflows (outflows) from operating activities	280,795	376,027

Code	Item	2025	2024
BBBB	Cash flows from investing activities:		
B00040	Acquisition of financial assets at amortized cost	(1,683,154)	(170,666)
B00100	Acquisition of financial assets measured at fair value through profit or loss	-	(9,500)
B00200	Disposal of financial assets at fair value through profit or loss	854	-
B01800	Acquisition of investments under equity method	(100,391)	(158,779)
B02000	Increase in investment prepayments	(40,000)	(10,000)
B02200	Acquisition of subsidiaries (net of cash acquired)	(510,170)	-
B02700	Acquisition of property, plant and equipment	(447,748)	(204,639)
B02800	Disposal of property, plant and equipment	2,801	3,555
B03800	Increase (decrease) in refundable deposits	13,141	(14,355)
B04500	Increase in intangible assets	(12,788)	(3,891)
BBBB	Net cash inflow (outflow) from investing activities	(2,777,455)	(568,275)
CCCC	Cash flows from financing activities:		
C00100	Borrowing(repayment)of short-term financing	215,000	258,333
C00500	Increase in short-term notes payable	30,000	-
C01600	Borrowing of long-term loans	44,538	751,762
C01700	Repayment of long-term loans	(187,500)	(742,070)
C03000	Increase (decrease) in guarantee deposits	1,517	121
C04020	Repayment of lease principal	(20,413)	(16,639)
C04500	Distribution of cash dividends	(198,684)	(251,088)
C04900	Cost of treasury stock repurchase	(29,030)	-
CCCC	Net cash inflow (outflow) in financing activities	(144,572)	419
DDDD	Effect of exchange rate changes on cash and cash equivalents	(131,740)	330,453
EEEE	Increase (decrease) in cash and cash equivalents for the period	(2,772,972)	138,624
E00100	Cash and cash equivalents at the beginning of the year	4,898,212	4,759,588
E00200	Cash and cash equivalents at the end of the year	$2,125,240	$4,898,212

(Please refer to Notes to Consolidated Financial Statements)

Chairperson: Hsin-Nan Kan   Managerial Officer: Cheng-Gang Yang   Accounting Officer: Rui-Chen Hu

Chairperson: Hsin-Nan Kan   Managerial Officer: Cheng-Gang Yang   Accounting Officer: Rui-Chen Hu

(In Thousands of NTD, Unless Stated Otherwise)

I. Company History

SINGATRON ENTERPRISE CO., LTD. (hereinafter referred to as the Company) was established in July 1976 and started its business in October 1976.

The Company's main business is the development, manufacturing and sale of electronic connectors and electronic modules for various power supply, audio and video signal and electronic signal transmission devices. The products' main applications include notebook computers and peripherals, tablet computers, various consumer electronics, automotive electronics, and network communications.

The Company's shares have been listed on TPEx for trading since January 18, 2002, and its principal place of operations is located at No. 209, Section 2, Zhongzheng Road, Hukou Township, Hsinchu County.

II. Date and Procedures for Approval of Financial Statements

The 2025 and 2024 consolidated financial statements of the Company and its subsidiaries (hereinafter referred to as the "Group") were released after being approved by the Board of Directors on March 12, 2026.

III. Application of New Standards, Amendments and Interpretations

1. Changes in accounting policies resulting from the first-time adoption of IFRS

   The Group has adopted the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations ("IFRSs") that have been endorsed by the FSC and are applicable to the fiscal years beginning on or after January 1, 2025, and the initial application of the newly amended standards and interpretations caused no material impact on the Group.

2. As of the date of publication of the financial statements, the Group has not applied the following new, revised and amended standards or interpretations, which have been issued by the IASB and endorsed by the FSC.

Item	New, Revised or Amended Standards and Interpretations	Effective date of IASB publication
1	IFRS 17 "Insurance Contracts"	January 1, 2023
2	Amendments to Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026
3	Annual Improvements to IFRS Standards - Volume 11	January 1, 2026
4	Amendments to IFRS 9 and IFRS 7 "Nature-dependent Electricity"	January 1, 2026

(1) IFRS 17 "Insurance Contracts"

The standard provides a comprehensive model of insurance contracts that includes all relevant components of accounting (recognition, measurement, presentation and disclosure principles). The core of the standard is a general model under which a group of insurance contracts is measured at the sum of contractual cash flows and contract service margin on initial recognition; the carrying amount at the end of each reporting period is the sum of the remaining coverage liability and the incurred claims liability.

In addition to the general model, specific applicable methods are also available for contracts with direct participation characteristics (variable fee method); and a simplified method for short-term contracts (premium sharing method).

This standard was issued in May 2017 and amended in 2020 and 2021. In addition to extending the effective date in the transitional provisions by two years (i.e., from January 1, 2021 to January 1, 2023) and providing additional exemptions, the amendment reduces the cost of adopting the standard by simplifying some of the requirements and modifying some of the requirements to make some situations easier to interpret. This standard will supersede the transitional standard (i.e. IFRS 4 'Insurance contracts') when it becomes effective.

(2) Amendments to Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

These amendments include:

(a) Clarifies that financial liabilities are derecognized on settlement date and provides accounting treatment for financial liabilities settled electronically before the settlement date.

(b) Clarification on how to assess the cash flow characteristics of financial assets with Environmental, Social, and Governance (ESG) related features or other similar contingent features.

(c) Clarification on the treatment of non-recourse assets and contractually linked instruments.

(d) Additional disclosure requirements in IFRS 7 for financial assets or liabilities with terms related to contingent features (including ESG-linked), and for equity instruments classified as fair value through other comprehensive income.

(3) Annual Improvements to IFRS Standards - Volume 11

(a) Amendments to IFRS 1

This amendment primarily aligns the explanation of hedge accounting for first-time adopters with IFRS 9.

(b) Amendments to IFRS 7

This amendment updates outdated cross-references for derecognition gains or losses.

(c) Amendments to IFRS 7

This amendment improves certain text explanations in the implementation guidance, including the introduction, disclosure of deferred fair value and transaction price differences, and credit risk disclosures.

(d) Amendments to IFRS 9

This amendment adds cross-references to resolve uncertainties regarding the derecognition of lease liabilities by lessees, and clarifies transaction prices.

(e) Amendments to IFRS 10

This amendment eliminates inconsistencies between paragraphs B74 and B73 in the standard.

(f) Amendment to IAS 7

This amendment deletes the reference to the cost method in paragraph 37 of the standard.

(4) Amendments to IFRS 9 and IFRS 7 "Nature-dependent Electricity”

These amendments include:

(a) Clarifies the application of the "own use" provisions.

(b) Allows the application of hedge accounting when contracts are used as hedging instruments.

(c) Increases note disclosure requirements to help investors understand the impact of such contracts on the entity's financial performance and cash flows.

The above newly issued and amended standards are applicable to fiscal years beginning on or after January 1, 2026. The Group has assessed that there will be no material impact.

3. As of the date of publication of the financial statements, the Group has not applied the following new, revised and amended standards or interpretations, which have been issued by the IASB but not yet endorsed by the FSC.

Item	New, Revised or Amended Standards and Interpretations	Effective date of IASB publication
1	Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Affiliated Enterprises and Joint Ventures" - Sale or Contribution of Assets between an Investor and its Affiliated Enterprises or Joint Ventures	To be decided by IASB
2	IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note)
3	Disclosure Initiative - Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027
4	Expressed in monetary terms under conditions of high inflation (amendments to IAS 21 and IAS 29)	January 1, 2027

(Note) On September 25, 2025, the Financial Supervisory Commission issued a press release announcing that Taiwan will align with International Financial Reporting Standard 18 in 2028.

(1) Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Affiliated Enterprises and Joint Ventures" - Sale or Contribution of Assets between an Investor and its Affiliated Enterprises or Joint Ventures

The plan is to address the inconsistency between IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Affiliated Enterprises and Joint Ventures" regarding the loss of control over an investment in an affiliate or joint venture using a subsidiary as the consideration. IAS 28 requires that when a non-monetary asset is invested in exchange for an interest in an affiliate or joint venture, the share of the resulting gain or loss should be eliminated in accordance with the treatment of a downstream transaction; IFRS 10 requires that the full amount of the gain or loss should be recognized when control over the subsidiary is lost. The amendment restricts the aforementioned requirements of IAS 28 so that when an asset that constitutes a business is sold or contributed as defined in IFRS 3, the resulting gain or loss should be recognized in full.

The amendment also revises IFRS 10 so that a gain or loss arising from the sale or investment of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its affiliate or joint venture is recognized only to the extent that it is not the investor's share.

(2) IFRS 18 “Presentation and Disclosure in Financial Reports”

This standard will replace IAS 1 "Presentation of Financial Statements," with the following main changes:

(a) Enhancing the comparability of the statement of profit or loss

The statement of profit or loss will classify income and expenses into five categories: operating, investing, financing, income tax, or discontinued operations. The first three are new classifications designed to improve the structure of the statement of profit or loss, and require all entities to provide newly defined subtotals (including operating profit or loss). By enhancing the structure of the statement of profit or loss and newly defined subtotals, investors will have a consistent starting point when analyzing financial performance across entities, making it easier to compare companies.

(b) Improving transparency of management performance measures

Requires entities to disclose explanations of entity-specific metrics related to the statement of profit or loss (termed management performance measures).

(c) Useful aggregation of financial statement information

Establishes application guidance for determining whether financial information should be placed in the primary financial statements or in the notes. This change is expected to provide more detailed and useful information. Requires entities to provide more transparent information on operating expenses to help investors find and understand the information they use.

(3) Disclosure Initiative - Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This new standard and its amendments simplify disclosures for subsidiaries without public accountability and allow subsidiaries that meet the definition to elect to apply this standard.

(4) Expressed in monetary terms under conditions of high inflation (amendments to IAS 21 and IAS 29)

These amendments include:

(a) Clarify that when the reporting entity's functional currency is not that of a hyperinflationary economy, and it is translated into a presentation currency of a hyperinflationary economy, its operating results and financial position shall be translated using the closing exchange rate at the most recent statement of financial position date.

(b) Under the aforementioned circumstances, when the presentation currency subsequently ceases to be that of a hyperinflationary economy, the reporting entity shall not restate the amounts in prior-period financial statements.

(c) When both the functional currency and the presentation currency are currencies of a hyperinflationary economy, the reporting entity shall account for such circumstances in accordance with paragraph 34 of International Accounting Standard 29.

The above standards or interpretations issued by the International Accounting Standards Board but not yet endorsed by the FSC will be implemented on the effective dates determined by the FSC. Except for the potential impact of the newly issued or amended standard or interpretation in item (2), which the Group is currently evaluating and cannot reasonably estimate at this time, the remaining new or amended standards or interpretations have no significant impact on the Group.

IV. <u>Summary of Significant Accounting Policies</u>

1. Compliance Statement

The Group’s financial statements for the years ended December 31, 2025 and 2024 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorsed and issued into effect by the FSC.

2. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for financial instruments at fair value. The consolidated financial statements are presented in thousands of NTD unless otherwise stated.

3. Consolidation Overview

<u>Principles for preparing consolidated financial statements</u>

Control is achieved when the Company is exposed to variable remuneration from participation in an investee or has rights to such variable remuneration and has the ability to affect such remuneration through its power over the investee. In particular, the Company controls an investee only when the Company has the following three elements of control:

(1) power over the investee (i.e., an existing right that gives it the present ability to direct the relevant activities)
(2) the exposure or right to variable remuneration from the participation in the Investee, and
(3) the ability to use its power over the investee to affect the amount of the investor's remuneration

When the Company holds, directly or indirectly, less than a majority of the voting rights or similar rights of an investee, the Company considers all relevant facts and circumstances to assess whether it has power over the investee, including:

(1) Contractual agreements with other holders of the voting rights of the investee
(2) Eights arising from other contractual agreements
(3) Voting rights and potential voting rights

The Company reassesses whether it still controls the investee when facts and circumstances indicate that one or more of the three elements of control have changed.

Subsidiaries are included in the consolidated financial statements in their entirety from the date of acquisition (i.e., the date on which the Group obtains control) until the date on which control over the subsidiary is lost. The accounting periods and accounting policies of subsidiaries' financial statements are consistent with those of the parent company. All intra-group account balances, transactions, unrealized internal profits and losses and dividends arising from intra-group transactions are eliminated in full.

Changes in shareholdings in subsidiaries are accounted for as equity transactions if control over the subsidiaries is not lost.

The total comprehensive incomes of subsidiaries are attributed to owners of the parent company and non-controlling interests, and the same applies even if the non-controlling interest has a loss balance as a result.

If the Company loses control of a subsidiary, then

(1) Derecognize the assets (including goodwill) and liabilities of the subsidiary;
(2) Derecognize the carrying amount of any non-controlling interests;
(3) Recognize the fair value of the consideration acquired;
(4) Recognize the fair value of any investment retained;
(5) rReclassify the amount of the item previously recognized by the parent company as other comprehensive income as current profit or loss, or directly transfer to retained earnings in accordance with other IFRSs;
(6) Recognize the difference generated in the current profit and loss.

Entities covered by the consolidated financial statements are as follows:

			Shareholding percentage:	
Name of investor	Name of subsidiary	Main business	2025.12.31	2024.12.31
The Company	SINGATRON INVESTMENT COMPANY LIMITED	General investments	100%	100%
The Company	SINGATRON (B.V.I.) ENTERPRISE CO., LTD.	General investments	100%	100%
SINGATRON (B.V.I.) ENTERPRISE CO., LTD.	SINGATRON (HONG KONG) INTERNATIONAL HOLDING LIMITED	Investment	100%	100%
SINGATRON (HONG KONG) INTERNATIONAL HOLDING LIMITED	Singatron Electronic (China) Co., Ltd.	Manufacturing and sale of connectors	61.1986%	61.1986%
Singatron Electronic (China) Co., Ltd.	Singatron Electronic (Zhongshan) Co., Ltd.	Manufacturing and sale of connectors	100%	100%
Singatron Electronic (China) Co., Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	Trading of connectors and import and export related	100%	100%

Name of investor	Name of subsidiary	Main business business	Shareholding percentage: 2025.12.31	Shareholding percentage: 2024.12.31
Singatron Electronic (China) Co., Ltd.	Suzhou Singatron Connector Co., Ltd.	Manufacturing and sale of connectors	100%	100%
Singatron Electronic (China) Co., Ltd.	SINGATRON SAN JOSE CONNECTION CO., LTD.	Marketing and sales and customer services	100%	100%
Singatron Electronic (China) Co., Ltd.	Suzhou Singatron Auto Co., Ltd.	Manufacturing and sale of connectors	100%	100%
Singatron Electronic (China) Co., Ltd.	Dongguan Grow-Link Electronics Co.,Ltd.	Manufacturing and sales of connectors and wire harnesses	80% (Note 3)	-
Singatron Electronic (China) Co., Ltd.	SINGATRON ELECTRONIC (THAILAND)CO., LTD.	Manufacturing and sale of connectors	85.60% (Note 2)	-
SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	SINGATRON ELECTRONIC (THAILAND)CO., LTD.	Manufacturing and sale of connectors	14.40% (Note 2)	100% (Note 1)
Singatron Electronic (Zhongshan) Co., Ltd.	Chung Shan Singatron Connector Co., Ltd.	Manufacturing and sale of connectors	100%	100%

Note 1: To effectively expand overseas markets, the Group's Board of Directors resolved on April 29 and October 30, 2024, to establish a subsidiary in Thailand, SINGATRON ELECTRONIC (THAILAND) CO., LTD., through Singatron Technology (Hong Kong) Limited. The investment amount is 36,000 thousand Thai Baht, with a 100% ownership ratio. As of December 31, 2024, the Group has remitted the investment funds and completed the registration and establishment.

Note 2: In December 2025, SINGATRON ELECTRONIC (THAILAND) CO., LTD., a third-tier subsidiary of the Company, carried out a cash capital increase. Singatron Electronic (China) Co., Ltd., a subsidiary of the Company, participated in the abovementioned cash capital increase, resulting in an increase in its shareholding ratio to 85.60%. SINGATRON TECHNOLOGY (HongKong) CO., LIMITED, a third-tier subsidiary of the Company, did not participate in the abovementioned cash capital increase in proportion to its shareholding, resulting in a decrease in its shareholding ratio to 14.40%.

Note 3: To strengthen the Group's presence in the field of new energy vehicle wiring harnesses, the Board of Directors approved on October 23, 2025, an equity investment in Dongguan Grow-Link Electronics Co.,Ltd. through Singatron Electronic (China) Co., Ltd., a subsidiary of the Company, to acquire 80% of the equity of Dongguan Grow-Link Electronics Co.,Ltd. in cash. The transaction consideration was RMB 220 million and was to be paid in three installments, with 60% to be paid within 10 days after completion of the equity transfer, and the remaining 40% to be paid in three installments according to the achievement of the performance commitment from 2025 to 2027, with final settlement and valuation adjustment to be conducted at the end of the period based on actual performance.

As of December 31, 2025, the Group had completed the equity closing and obtained control on December 24, 2025, and included it in the entities for which the Group prepared Consolidated Financial Statements.

4. Foreign Currency Transactions

The Group’s consolidated financial statements were expressed in New Taiwan Dollars, which is the parent company's functional currency. Each entity within the Group determines its own functional currency and measures its financial statements in that functional currency.

The foreign-currency transactions of the entities within the Group are recorded in their functional currency using the exchange rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the closing rate on that date; non-monetary items denominated in foreign currencies that are measured at fair value are translated at the exchange rate at the date of the fair value measurement; non-monetary items denominated in foreign currencies that are measured at historical cost are translated at the exchange rate at the date of the original transaction.

Exchange differences arising from settlement or translation of monetary items other than those described below are recognized as profit or loss in the period in which they occur:

(1) Exchange differences arising on foreign-currency borrowings to acquire qualifying assets that are treated as adjustments to interest costs are capitalized as part of the cost of the borrowings and are recognized as the cost of the assets.

(2)Foreign-currency items under IFRS 9, "Financial Instruments," are accounted for in accordance with the accounting policy for financial instruments.

(3)For monetary items that form part of a reporting entity's net investment in a foreign operation, the resulting exchange differences are recognized in other comprehensive income and are reclassified from equity to profit or loss upon disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

5. Translation of financial statements in foreign currency

In preparing the consolidated financial statements, the assets and liabilities of foreign operations are translated into NTD at the closing rate on the balance sheet date, and income and expense items are translated at the average exchange rate for the period. Exchange differences arising from translation are recognized in other comprehensive income. Upon disposal of the foreign operation, the cumulative exchange differences previously recognized in other comprehensive income and accumulated in a separate component of equity are reclassified from equity to profit or loss upon recognition of the gain or loss on disposal. A partial disposal involving a loss of control over a subsidiary that includes a foreign operation and a partial disposal of an interest in an affiliate or joint agreement that includes a foreign operation in which the retained interest is a financial asset that includes a foreign operation are also treated as disposal.

Upon partial disposal of a subsidiary that includes a foreign operation without loss of control, the cumulative translation differences recognized in other comprehensive income are reattributed to the non-controlling interest in the foreign operation on a pro rata basis and are not recognized in profit or loss; upon partial disposal of an affiliate or joint agreement that includes a foreign operation without loss of significant influence or joint control, the cumulative translation differences are reclassified to profit or loss on a pro rata basis.

Goodwill arising from the acquisition of a foreign operation and fair value adjustments to the carrying amounts of its assets and liabilities are treated as assets and liabilities of the foreign operation and reported in its functional currency.

6. Classification of Current and Non-current Assets and Liabilities

Assets are classified as current assets if one of the following conditions is met while assets not classified as current assets are classified as non-current assets.

(1) The asset is expected to be realized in the normal course of business, or is intended to be sold or consumed.
(2) The asset is held primarily for the purpose of trading.
(3) The asset is expected to be realized within 12 months after the balance sheet date.
(4) Cash or cash equivalents, except for those that are exchanged or restricted for the settlement of liabilities at least 12 months after the balance sheet date.

Liabilities are classified as current liabilities if one of the following conditions is met while liabilities not classified as current liabilities are classified as non-current liabilities:

(1) The liability is expected to be settled in the normal course of business.
(2) The liability is held primarily for the purpose of trading.
(3) The liability is expected to be settled upon maturity within 12 months after the balance sheet date.
(4) Does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

7. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, demand deposits and short-term highly liquid time deposits or investments that are readily convertible into fixed amounts of cash and subject to an insignificant risk of changes in value.

8. Financial instruments

Financial assets and liabilities shall be recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities that are within the scope of IFRS 9, "Financial Instruments", are measured at fair value on initial recognition. Transaction costs directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than those classified as at fair value through profit or loss) are added to or deducted from the fair value of those financial assets and financial liabilities.

(1) Recognition and Measurement of Financial Assets

The Group uses trade date accounting for the recognition and derecognition of all customarily traded financial assets.

The Group classifies financial assets as financial assets subsequently measured at amortized cost, measured at fair value through other comprehensive income or measured at fair value through profit or loss on the following two bases:

A. operating model for managing financial assets
B. contractual cash flow characteristics of financial assets

Financial assets at amortized cost

Financial assets that meet both of the following two criteria are measured at amortized cost and reported in the balance sheet as notes receivable, accounts receivable, financial assets measured at amortized cost and other receivables.

A. Operating model for managing financial assets: Holding financial assets to collect contractual cash flows
B. Contractual cash flow characteristics of financial assets: Cash flows consist solely of payments of principal and interest on the principal amount outstanding

These financial assets (excluding those involved in hedging relationships) are subsequently measured at amortized cost [the amount measured at original recognition, less principal repaid, plus or minus the cumulative amortization of the difference between that original amount and the maturity amount (using the effective interest method), and adjusted for allowance for losses]. An impairment gain or loss is recognized in profit or loss when it is derecognized, through the amortization process, or when an impairment gain or loss is recognized.
Interest calculated using the effective interest method (by multiplying the effective interest rate by the total carrying amount of the financial asset) or the following is recognized in profit or loss:

A. For credit-impaired financial assets acquired or created, the effective interest rate after credit adjustment is multiplied by the amortized cost of the financial assets

B. If the financial asset is not impaired, but subsequently becomes impaired, the effective interest rate is multiplied by the amortized cost of the financial asset.

<u>Financial assets at fair value through other comprehensive income</u>

Financial assets measured at fair value through other comprehensive income are reported in the balance sheet as financial assets measured at fair value through other comprehensive income if both of the following conditions are met:

A. Operating model for managing financial assets: Collect contractual cash flows and sell financial assets

B. Contractual cash flow characteristics of financial assets: Cash flows consist solely of payments of principal and interest on the principal amount outstanding

The recognition of gain and loss related to this type of financial assets is described as follows:

A. Before derecognition or reclassification, gains or losses are recognized in other comprehensive income, except for impairment gains or losses and foreign currency exchange gains or losses, which are recognized in profit or loss.

B. Upon derecognition, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

C. Interest calculated using the effective interest method (by multiplying the effective interest rate by the total carrying amount of the financial asset) or the following is recognized in profit or loss:

   (a) For credit-impaired financial assets acquired or created, the effective interest rate after credit adjustment is multiplied by the amortized cost of the financial assets

   (b) If the financial asset is not impaired, but subsequently becomes impaired, the effective interest rate is multiplied by the amortized cost of the financial asset

In addition, for equity instruments that are within the scope of application of IFRS 9 and that are neither held-for-trading nor contingent consideration recognized by the acquirer in a business combination to which IFRS 3 applies, subsequent changes in fair value are selectively (irrevocably) reported in other comprehensive income upon initial recognition. Amounts reported in other comprehensive income are not subsequently transferred to profit or loss (upon disposal of such equity instruments, the cumulative amounts included in other equity items are transferred directly to retained earnings), and financial assets measured at fair value through other comprehensive income are reported in the balance sheet. Dividends from investments are recognized in profit or loss unless it is clear that the dividends represent a partial recovery of the cost of the investment.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss, except when they meet certain criteria and are measured at amortized cost or at fair value through other comprehensive income, as described above, and are reported in the balance sheet as financial assets measured at fair value through profit or loss.

The gain or loss arising from the remeasurement of such financial assets measured at fair value is recognized in profit or loss, and the gain or loss recognized in profit or loss includes any dividends or interest received on the financial assets.

(2) Impairment of financial assets

The Group recognizes and measures the allowance for losses on investments in debt instruments measured at fair value through other comprehensive income and financial assets measured at amortized cost using expected credit losses. Investments in debt instruments measured at fair value through other comprehensive income or loss are recognized as an allowance for losses in other comprehensive income or loss and do not reduce the carrying amount of the investments.

The Group measures expected credit losses in a manner that reflects the following:

A. Unbiased, probability-weighted amounts determined by evaluating various possible outcomes
B. Time value of money
C. Information relating to past events, current conditions and projections of future economic conditions that is reasonable and supportable (available at the balance sheet date without excessive costs or inputs)

The method of measuring the allowance for losses is described as follows:

A. Measured by the amount of expected credit losses over 12 months: including financial assets with no significant increase in credit risk since original recognition or those with low credit risk as of the balance sheet date. In addition, it also includes the allowance for losses measured at the amount of expected credit losses during the prior reporting period, but at the balance sheet date no longer meets the condition that the credit risk has increased significantly since the original recognition.

B. Measurement of the amount of expected credit losses over the duration of existence: including financial assets with no significant increase in credit risk since original recognition or credit impaired financial assets that are acquired or created.

C. For accounts receivable or contract assets arising from transactions within the scope of IFRS 15, the Group measures the allowance for losses using the expected credit loss amount over the life of the transaction.

D. For lease receivables arising from transactions within the scope of IFRS 16, the Group measures the allowance for losses using the expected credit loss amount over the life of the transaction.

The Group assesses at each balance sheet date whether the credit risk of a financial instrument has increased significantly since original recognition by comparing the change in default risk of the financial instrument at the balance sheet date with that at the original recognition date. For information related to credit risk, please refer to Note 12.

(3) Derecognition of financial assets

Financial assets held by the Group are derecognized when one of the following conditions is met:

A. The contractual rights from the cash flows of the financial assets are terminated.
B. The financial asset is transferred and substantially all the risks and rewards of ownership of the asset are transferred to others.
C. Neither transferred nor retained substantially all the risks and rewards of ownership of the asset, but transferred control of the asset.

When a financial asset is derecognized in its entirety, the difference between its carrying amount and the sum of the consideration received or receivable and any cumulative gain or loss recognized in other comprehensive income is recognized in profit or loss.

(4) Financial liabilities and equity instruments

Classification of liabilities or equity

The liabilities and equity instruments issued by the Group are classified as financial liabilities or equity based on the substance of the contractual agreements and the definitions of financial liabilities and equity instruments.

Equity instruments

An equity instrument is any contract that recognizes the Group's remaining interest in assets less all liabilities. The equity instruments issued by the Group are recognized at the acquisition price less direct issue costs.

Composite tools

The Group recognizes the components of financial liabilities and equity for convertible corporate bonds issued in accordance with the contractual terms. In addition, for the convertible corporate bonds issued, before distinguishing the equity element, it is evaluated whether the economic characteristics and risks of the embedded buy and sell options are closely related to the main debt instrument.

For the fair value of the liabilities that do not involve derivatives, the fair value is assessed using the market interest rate equivalent to the bonds with convertible characteristics. Before the settlement of conversion or redemption, the amount of this part is classified as financial liabilities measured at amortized cost. As for other embedded derivatives that are not closely related to the economic characteristics and risks of the host contract (e.g., for the embedded repurchase option and redemption option whose exercise price is confirmed to be unable to be nearly equal to the amortized cost of the debt instrument on each exercise date), except for equity and other components, which are classified as components of liabilities and measured at fair value through profit or loss in the subsequent period, the amount of the equity element is determined by the fair value of convertible corporate bonds less the component of liabilities, and the carrying amount will not be remeasured in the subsequent accounting period. If the convertible corporate bonds issued have no equity element, they shall be handled in accordance with IFRS 9, "Hybrid Instruments".

The transaction cost is amortized to the liabilities and equity components in accordance with the ratio of the convertible corporate bonds recognized initially to the liabilities and equity components.

When the convertible bond holder requests to exercise the right of conversion before the maturity of the convertible corporate bond, the book value of the components of the liability is adjusted to the book value at the time of conversion as the basis for recording the issued ordinary shares.

Financial liabilities

Financial liabilities that meet the applicable scope of IFRS 9 are classified as financial liabilities measured at fair value through profit or loss or at amortized cost on initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated as at fair value through profit or loss.

A financial liability is classified as held-for-trading when one of the following conditions is met:

A. It is acquired primarily for the purpose of selling in the short term.
B. It is part of a portfolio of identifiable financial instruments that are managed on initial recognition and for which there is recent evidence of a short-term profitable operating pattern; or
C. A derivative (other than a derivative on a financial guarantee contract or a designated and effective hedging instrument).

For contracts that contain one or more embedded derivatives, the overall hybrid (combined) contract may be designated as a financial liability at fair value through profit or loss; designated at fair value through profit or loss on initial recognition when one of the following factors is met that provides more relevant information:

A. The designation eliminates or materially reduces measurement or recognition inconsistencies; or
B. A group of financial liabilities or a group of financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis in accordance with a written risk management or investment strategy, and the information on that portfolio provided internally to management of the Consolidated Company is also on a fair value basis.

Gains or losses arising from the remeasurement of such financial liabilities are recognized in profit or loss, and such gains or losses recognized in profit or loss include any interest paid on financial liabilities.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost, including payables and borrowings, are subsequently measured using the effective interest method after initial recognition. When financial liabilities are derecognized and amortized through the effective interest method, the related gain or loss and amortization are recognized in profit or loss.

Amortized cost is calculated by taking into account the discount or premium on acquisition and transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation is discharged, cancelled or expired.

When a debt instrument with materially different terms is exchanged between the Group and its creditors, or when all or part of the terms of an existing financial liability are significantly modified (whether or not due to financial difficulties), the difference between the carrying amount of the financial liability and the total consideration paid or payable (including non-cash assets transferred or liabilities assumed) is recognized in profit or loss. The difference between the carrying amount and the consideration paid or payable (including non-cash assets transferred or liabilities assumed) is recognized in earnings.

(5) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet only when there is a legally enforceable right to offset the recognized amount and there is an intention to settle the asset and the liability on a net basis or to realize the asset and settle the liability simultaneously.

9. Fair Value Measurements

Fair value is the price that would be paid to sell an asset or to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements assume that the sale of an asset or transfer of a liability occurs in one of the following markets.

(1) the principal market for the asset or liability, or
(2) if there is no principal market, the most advantageous market for the asset or liability

The principal or most advantageous market must be accessible to the Group for the purpose of trading.

The fair value of an asset or liability is measured using assumptions that market participants would use in pricing the asset or liability, assuming that those market participants act in their economic best interests.

Fair value measurements of nonfinancial assets consider the ability of a market participant to generate economic benefits by using the asset for its maximum and best use or by selling the asset to another market participant that would use the asset for its maximum and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient information is available to measure fair value and maximize the use of observable inputs and minimize the use of unobservable inputs.

10. Inventories

Inventories are valued at the lower of cost or net realizable value on a item-by-item basis.

Cost is the cost incurred to bring inventories to a saleable or production-ready condition and location:

Raw materials - at actual incoming cost, using the weighted-average method.
Finished goods and work in process - includes direct raw materials, labor and fixed manufacturing costs allocated to normal production capacity, but does not include borrowing costs.

Net realizable value is the estimated selling price less costs and selling expenses to completion under normal circumstances.

The provision of service is accounted for in accordance with IFRS 15 and is not part of inventories.

11. Investment accounted for using the equity method

The Group's investments in associate companies are accounted for using the equity method, except for those classified as assets held for sale. Associate companies are those over which the Group has significant influence. A joint venture is one where the Group has rights to the net assets of a joint agreement (with joint control).

Under the equity method, investments in affiliates or joint ventures are carried on the balance sheet at cost plus changes in net assets of the affiliates or joint ventures recognized in proportion to the Group's shareholding percentages in those affiliates or joint ventures after acquisition. After the carrying amount of an investment in an affiliate or joint venture and other related long-term interests are reduced to zero using the equity method, additional losses and liabilities are recognized to the extent that legal obligations, constructive obligations or payments on behalf of the affiliate have been incurred. Unrealized gains or losses arising from transactions between the Group and its associate companies or joint ventures are eliminated in proportion to the Group's interest in the associate companies or joint ventures.

When the change in equity in an affiliate or joint venture is not attributable to profit or loss and other comprehensive income and does not affect the Group's shareholding percentage in the affiliate or joint venture, the Group recognizes the related change in ownership interest in proportion to the Company's shareholding percentage in the affiliate or joint venture. Therefore, capital surplus recognized is transferred to profit or loss on the basis of the proportion of the disposal of the affiliates or joint ventures when they are subsequently disposed of.

If the Company does not subscribe for new shares of an affiliate or joint venture in proportion to the Group's shareholding, resulting in a change in investment percentage and an increase or decrease in the Group's share of the net assets of the affiliate or joint venture, the increase or decrease is adjusted by "capital surplus" and "investments accounted for using the equity method". When the investment percentage is reduced, the relevant items previously recognized in other comprehensive income are reclassified to profit or loss or other appropriate accounts in proportion to the reduction. The forgoing capital surplus recognized is transferred to profit or loss on the basis of the proportion of the disposal of the affiliates or joint ventures when they are subsequently disposed of.

The financial statements of affiliates or joint ventures are prepared for the same reporting periods as those of the Group and are adjusted to conform to the accounting policies of the Group.

At the end of each reporting period, the Company confirms whether there is objective evidence of impairment of its investment in an associate in accordance with IAS 28, "Investments in Associates and Joint Ventures", and if there is objective evidence of impairment on the associate or joint venture, the Group calculates the amount of impairment in accordance with IAS 36, "Impairment of Assets", based on the difference between the recoverable amount and the carrying amount of the associate or joint venture and recognizes the amount in profit or loss of the affiliate or joint venture.

If the value in use of the investment is used for the aforementioned recoverable amount, the Group determines the related value in use based on the following estimates:

(1) The Group's share of the present value of the estimated future cash flows from the affiliate or joint venture, including the cash flows from the affiliate's or joint venture's operations and the proceeds from the ultimate disposal of the investment; or
(2) The present value of the estimated future cash flows expected to be generated by the

Group from the dividends received from the investment and the ultimate disposal of the investment.

Because the components of goodwill that constitute the carrying amount of an investment in an affiliate or joint venture are not separately recognized, the provisions of IAS 36, "Impairment of Assets" for goodwill impairment testing are not required.

When significant influence over an affiliate or joint control over a joint venture is lost, the Group measures and recognizes the retained portion of the investment at fair value. When significant influence or joint control is lost, the difference between the carrying amount of the investment in the affiliate or joint venture and the fair value of the retained investment plus the proceeds of disposal is recognized as profit or loss. In addition, when the investment in the affiliate becomes an investment in the joint venture, or the investment in the joint venture becomes an investment in the associate company, the Group continues to apply the equity method without re-measurement of the reserved equity.

12. Property, plant and equipment

Property, plant and equipment are stated at acquisition cost, less accumulated depreciation and accumulated impairment. The aforementioned costs include the costs of dismantling, removing and restoring property, plant and equipment to their original locations and the necessary interest expenses incurred for uncompleted construction. Depreciation is provided separately for each component of property, plant and equipment that is significant. When a significant component of property, plant and equipment is required to be replaced periodically, the Group recognizes the item as an individual asset with a specific useful life and depreciation method, respectively. The carrying amounts of these replaced components are derecognized in accordance with the derecognition provisions of IAS 16, "Property, Plant and Equipment". Major maintenance costs are recognized as part of the carrying amount of plant and equipment if they meet the criteria for recognition, and other repair and maintenance expenses are recognized in profit or loss.

Depreciation is provided on a straight-line basis over the estimated useful lives of the following assets:

Buildings: 5 to 55 years (20 to 55 years for the main body of buildings and construction and 5 to 15 years for ancillary equipment)
Machinery and equipment: 1 to 10 years
Transportation equipment: 5 years
Office equipment: 0.5 - 10 years
Leasehold Improvements: 25 years
Other equipment: 0.5 - 10 years

Items or significant components of property, plant and equipment are derecognized and recognized in profit or loss when they are disposed of or no future economic benefits are expected from their use or disposal after initial recognition.

The residual value, useful life and depreciation method of property, plant and equipment are evaluated at the end of each financial year. If the expected value differs from the previous estimate, the change is regarded as a change in the accounting estimate value.

13. Investment property

Investment properties owned by the Group are measured at original cost and includes the transaction cost of acquiring the asset. The carrying amount of investment property includes the cost of repairing or adding to existing investment property when the cost is recognized, but maintenance costs incurred on a regular basis are not included as part of the cost. After initial recognition, investment property is measured at cost in accordance with IAS 16, "Property, Plant and Equipment", except when it is classified as held for sale (or included in a subgroup classified as held for sale) in accordance with IFRS 5, "Non-current Assets and Discontinued Operations". However, if the property is held by a lessee as a right-of-use asset and is not held for sale under IFRS 5, it is accounted for in accordance with IFRS 16.

Depreciation is provided on a straight-line basis over the estimated useful lives of the following assets:

Buildings: 20~55 years

Investment properties are derecognized and gains or losses are recognized when it is disposed of, or permanently ceased to be used, and no future economic benefits are expected to be derived from its disposal.

The Group decides to transfer in or out of investment property depending on the actual use of the assets.

The Group reclassifies real estate as investment property or transfers out of investment property when the real estate meets or no longer meets the definition of investment property and there is evidence of a change in use.

14. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is (or contains) a lease if it transfers control over the use of an identified asset for a period of time in exchange for consideration. In order to assess whether a contract transfers control over the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, it has both of the following:

(1) The right to obtain substantially all the economic benefits from the use of the identified assets; and
(2) The right to control the use of the identified assets.

For contracts that are (or contain) leases, the Group treats each lease component of the contract as a separate lease and treats it separately from the non-lease components of the contract. Where a contract contains a lease component and one or more additional leases or non-lease components, the Group apportions the consideration in the contract to the lease component on the basis of the relative individual prices of each lease component and the aggregated individual prices of the non-lease components. The relative individual prices of lease and non-lease components are determined on the basis of the prices charged by the lessor (or similar supplier) for that component (or similar component) respectively. If an observable separate price is not readily available, the Group maximizes the use of observable information to estimate that separate price.

The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases when the Group is the lessee of the lease contract, except for leases that qualify as short-term leases or leases with low-value underlying assets.

The Group measures the lease liability at the commencement date at the present value of the lease payments outstanding at that date. The lease payments are discounted using the interest rate in a lease if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the incremental borrowing rate. Lease payments included in the lease liability at the commencement date include the following payments relating to the right to use the subject asset during the lease period and outstanding at that date:

(1) Fixed payments (including material fixed payments), net of any lease incentives that may be received;
(2) Variable lease payments that depend on an index or rate (measured using the original index or rate as of the commencement date);
(3) The amount expected to be paid by the lessee under the residual value guarantee;
(4) The exercise price of the purchase option if the Group can be reasonably certain that it will exercise the option; and
(5) The penalty to be paid for lease termination if the lease period reflects that the lessee will exercise the option to terminate the lease.

Subsequent to the commencement date, the Group measures the lease liability on an amortized cost basis, increasing the carrying amount of the lease liability by the effective interest method to reflect interest on the lease liability; payments of lease benefits reduce the carrying amount of the lease liability.

The Group measures right-of-use assets at cost at the commencement date, and the cost of right-of-use assets consists of:

(1) The original measurement amount of the lease liability;
(2) Any lease payments made on or before the commencement date, less any lease incentives received;
(3) Any original direct costs incurred by the lessee; and

(4) The estimated cost to the lessee of disassembling, removing and restoring the subject asset to its location, or restoring the subject asset to the condition required by the terms and conditions of the lease.

Subsequent measurement of right-of-use assets is stated at cost less accumulated depreciation and accumulated impairment losses, i.e., the right-of-use asset is measured using the cost model.
Right-of-use assets are depreciated from the commencement date to the end of the useful life of the subject assets if ownership of the subject assets is transferred to the Group at the end of the lease period or if the cost of the right-of-use assets reflects that the Group will exercise the purchase option. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the expiration of the useful life of the right-of-use asset or the expiration of the lease period.

The Group applies IAS 36, "Impairment of Assets", to determine whether a right-of-use asset is impaired and to treat any identified impairment loss.

The Group reports right-of-use assets and lease liabilities in the balance sheet, except for leases that qualify as short-term leases or leases with low-value underlying assets, and reports depreciation expense and interest expense related to leases in the statement of comprehensive income, respectively.

For short-term leases and leases of low-value underlying assets, the Group elects to recognize lease payments related to these leases as an expense over the lease period on a straight-line basis or another systematic basis.

<u>The Group as lessor</u>

The Group classifies each of its leases as operating leases or finance leases at the contract inception date. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of the subject asset; if it does not transfer, it is classified as an operating lease. At the commencement date, the Group recognizes assets held under finance leases in the balance sheet and expresses them as finance lease receivables based on the net investment in the leases.

For contracts with lease components as well as non-lease components, the Group applies IFRS 15 to apportion the consideration in the contracts.

The Group recognizes lease payments from operating leases as rental income on a straight-line basis or another systematic basis. Lease payments under operating leases that are not dependent on changes in an index or rate are recognized as rental income as incurred.

15. Intangible assets

Intangible assets acquired separately are measured at cost on initial recognition. The cost of intangible assets acquired through a business merger is the fair value at the date of acquisition. After initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses. Intangible assets that do not meet the criteria for recognition are not capitalized but are recognized in profit or loss as incurred.

The useful lives of intangible assets are classified as finite or indefinite.

Intangible assets with finite useful lives are amortized over their useful lives and are tested for impairment whenever there is an indication of impairment. The amortization period and amortization method of intangible assets with finite useful lives are reviewed at least at the end of each financial year. If the estimated useful life of an asset differs from previous estimates or the expected pattern of future economic consumption has changed, the amortization method or amortization period is adjusted and treated as a change in accounting estimate value.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment at the individual asset or cash-generating unit level each year. Intangible assets with indefinite useful lives are assessed each period to determine whether events and circumstances continue to support the asset's indefinite useful life. If the useful life is changed from indefinite to finite, the application is deferred.

Gains or losses arising from the derecognition of intangible assets are recognized in profit or loss.

The Group's accounting policies for intangible assets are summarized as follows:

	Computer software costs	Other intangible assets	Patent rights
Useful life	2 - 5 years	10 - 30 years	10 - 20 years
Amortization method used	Amortized on a straight-line basis over the life of the contract	Amortized on a straight-line basis over the life of the contract	Amortized using the straight-line method over the patent term
Internally generated or externally acquired	Externally acquired	Externally acquired	Externally acquired

16. Impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is any indication of impairment for all assets subject to IAS 36, "Impairment of Assets". Where there is an indication of impairment or an asset is required to be tested annually for impairment, the Group performs the test on an individual asset or on the cash-generating unit to which the asset belongs. An impairment loss is recognized if the carrying amount of the cash-generating unit to which the asset or asset belongs exceeds its recoverable amount. Recoverable amount is the higher of net fair value and value in use.

The Group assesses at the end of each reporting period, for assets other than goodwill, whether there is any indication that a previously recognized impairment loss may no longer exist or may have decreased. If there is such indication, the Group estimates the recoverable amount of the asset or cash-generating unit. If the recoverable amount increases due to changes in the estimated service potential of the asset, the impairment loss is reversed. The carrying amount of the reversal does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset, net of depreciation or amortization.

Cash-generating units or groups to which goodwill belongs are tested annually for impairment, regardless of whether there is any indication of impairment. If an impairment loss is recognized as a result of an impairment test, goodwill is written off first and any shortfall is allocated to assets other than goodwill in proportion to their carrying amounts. Once an impairment loss on goodwill is recognized, it cannot be reversed for any reason.
The impairment loss and reversal are recognized in profit or loss for the continuing business unit.

17. Recognition of revenue

The Group's revenue from contracts with customers is mainly from the sale of goods, and the accounting treatment is explained as follows:

The Group manufactures and sells products. Revenue is recognized when the promised goods are delivered to the customer and the customer obtains control of the goods (i.e., the customer's ability to control the use of the goods and obtain substantially all of the residual benefits of the goods) primarily for connectors and electronic modules, based on contracted prices. The rest of product sales transactions are usually subject to volume discounts (based on the total cumulative sales in a given period). Accordingly, revenue is based on contracted prices, less estimated volume discounts. The Group estimates the variable consideration arising from volume discounts based on cumulative experience and using expected values, but only to the extent that it is highly probable that there will be no significant reversal in the cumulative amount of revenue recognized when the uncertainty associated with the variable consideration is subsequently removed.

The credit period for the Group's sales of merchandise transactions generally ranges from 60 days to 120 days. The majority of these contracts are recognized when the goods are transferred to the customer's control and the right to receive unconditional consideration is available, which is usually a short period and does not have a significant financial component. A small number of contracts that have been transferred to customers without the right to receive unconditional consideration are recognized as contract assets, and the contract assets are subject to an allowance for loss in accordance with IFRS 9 based on the expected credit loss over the life of the contract.

18. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of those assets. All other borrowing costs are recognized as expenses in the period in which they are incurred. Borrowing costs include interest and other costs incurred in connection with the borrowing of funds.

19. Post-employment benefit plan

The Company's employee retirement regulations are applicable to all regularly employed employees. The employee retirement fund is managed by the Supervisory Committee of Labor Retirement Reserve and deposited into the special account of the retirement fund. Since the above retirement fund is deposited in the name of the Supervisory Committee of Labor Retirement Reserve and is completely separate from the Company, it is not included in the above consolidated financial statements. The employee retirement regulations for employees of foreign subsidiaries are governed by local laws and regulations.

Under the defined contribution plan, the Company's monthly contribution rate to the post-employment benefit plan shall not be less than 6% of the employee's monthly salary, and the amount contributed shall be recognized as a current expense; for foreign subsidiaries, the contribution shall be made in accordance with the local regulations and recognized as a current expense.

For post-employment benefit plan under that is a defined benefit plan, provision is made on the basis of actuarial report at the end of the annual reporting period in accordance with the projected unit benefit method. The remeasurement of the net defined benefit liability (asset) includes any changes in the remuneration on plan assets and the effect of the asset cap, net of amounts included in net interest on the net defined benefit liability (asset), and actuarial gain and loss.

The remeasurement of the net defined benefit liability (asset) is included in other comprehensive income as incurred and is recognized immediately in retained earnings. The cost of prior service is the change in the present value of the defined benefit obligation resulted from plan amendment or reduction and is recognized as an expense on the earlier of:

(1) When the plan amendment or reduction occurs; and
(2) When the Group recognizes the related restructuring costs or severance benefits.

Net interest on the net defined benefit liability (asset) is determined by multiplying the net defined benefit liability (asset) by the discount rate, both of which are determined at the beginning of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) arising from contributions and benefit payments during that period.

20. Income tax

Income tax expense (benefit) represents the total amount included in the determination of current income tax and deferred income tax for the current period.

Current income tax

Current income tax liabilities (assets) related to current and prior periods are measured using tax rates and laws that have been legislated or substantively enacted by the end of the reporting period. Current income tax related to items recognized in other comprehensive income or recognized directly in equity are recognized in other comprehensive income or equity, respectively, rather than in profit or loss.

Income tax on undistributed earnings is recorded as income tax expense on the date when the shareholders resolve to distribute the earnings.

Deferred income tax

Deferred income tax is calculated on temporary differences between assets and liabilities of tax base and their carrying amounts on the balance sheet at the end of the reporting period.

All taxable temporary differences are recognized as deferred income tax liabilities except for the following:

(1) The initial recognition of goodwill; or it is not generated from a business merger transaction, which affects neither accounting profits nor taxable income (loss) at the time of the transaction, and does not increase an equivalent taxable and deductible temporary difference at the time of the transaction;

(2) Taxable temporary differences arising from investments in subsidiaries, affiliates and interests in joint agreements where the timing of the reversal is controlled and it is probable that they will not reverse in the foreseeable future.

Deferred income tax assets arising from temporary differences, unused tax losses and unused income tax credits are recognized to the extent that it is probable that future taxable income will be available, except for the following:

(1) It is related to the deductible temporary difference arising from the initial recognition of assets or liabilities that are not business merger transactions, which affects neither accounting profits nor taxable income (loss) at the time of the transaction, and does not increase an equivalent taxable and deductible temporary difference at the time of the transaction;

(2) Deductible temporary differences arising from investments in subsidiaries, affiliates and interests in joint agreements are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and there are sufficient taxable instruments available at the time of the reversal to allow the temporary differences to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period in which the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and liabilities are measured to reflect the tax consequences of the manner in which the carrying amount of the asset is expected to be recovered or the liability settled at the end of the reporting period. Deferred income taxes are not recognized in profit or loss, but are recognized in other comprehensive income or directly in equity, depending on the transaction to which they relate. Deferred income tax assets are revisited and recognized at the end of each reporting period.

Deferred income tax assets and liabilities are offset only to the extent that the offsetting of current income tax assets and liabilities is legally enforceable and the deferred income taxes are attributable to the same taxable entity and are related to income taxes levied by the same taxing authority.

According to the temporary exception provisions of "International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)," deferred tax assets and liabilities for Pillar Two income taxes shall not be recognized, and related information shall not be disclosed.

21. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred, identifiable assets acquired, and liabilities assumed in a business combination are measured at fair value on the acquisition date. For each business combination, the acquirer measures non-controlling interests at either fair value or the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed in the current period and included in administrative expenses.

When the Group acquires a business, it assesses the appropriate classification and designation of assets and liabilities based on the contractual terms, economic circumstances, and other relevant conditions existing at the acquisition date, including consideration of the separation of embedded derivative financial instruments in host contracts held by the acquiree.

If a business combination is completed in stages, the acquirer's previously held equity interest in the acquiree is remeasured to fair value as of the acquisition date, and any resulting gain or loss is recognized in profit or loss for the current period.

Contingent consideration to be transferred by the acquirer is recognized at fair value on the acquisition date. Subsequent changes in the fair value of contingent consideration classified as an asset or liability are recognized in profit or loss for the current period or as changes in other comprehensive income in accordance with IFRS 9. However, if contingent consideration is classified as equity, it is not remeasured before it is ultimately settled within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and non-controlling interests over the fair value of the identifiable assets and liabilities acquired by the Group; if such consideration is less than the fair value of the net assets acquired, the difference is recognized in profit or loss for the current period.

After initial recognition, goodwill is measured at cost less accumulated impairment. The goodwill arising from a business merger is amortized from the date of acquisition to each cash-generating unit of the Group that is expected to benefit from the merger, regardless of whether the other assets or liabilities of the acquiree are attributable to such cash-generating unit. Each unit or group of units to which goodwill is allocated represents the lowest level within the Group at which goodwill is monitored for internal management purposes and is not larger than an operating segment before aggregation.

When disposing of a portion of a cash-generating unit that includes goodwill, the carrying amount of the portion disposed of includes the goodwill associated with the operation disposed of. The goodwill disposed of is measured based on the relative recoverable amounts of the operation disposed of and the portion retained.

V. Significant Accounting Assumptions and Judgment, And Major Sources of Estimation Uncertainty

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. However, uncertainties in these significant assumptions and estimates could result in material adjustments to the carrying amounts of assets or liabilities in future periods.

1. Judgments

In the process of adopting the Group's accounting policies, management makes the following judgments that have the most significant effect on the recognition of amounts in the consolidated financial statements:

(1) Investment properties

Certain of the Group's real estate is held partly for rental or capital appreciation purposes and partly for the use by the Group. If each component can be sold separately, it is treated as investment property and property, plant and equipment, respectively. If each component cannot be sold separately, the real estate is classified as investment property only when the portion held for the use by the Group accounts for less than 5% of the individual real estate.

(2) Operating lease commitments - The Group as lessor

The Group has entered into commercial real estate leases for its investment property portfolio. Based on the assessment of the terms of these leases, the Group retains significant risks and rewards of ownership of these real estate properties and treats these as operating leases.

2. Estimates and assumptions

The key sources of information about the uncertainty of estimates and assumptions concerning the future at the end of the reporting period have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next fiscal year. It is hereby explained as follows:

(1) Fair value of financial instruments

When the fair value of financial assets and liabilities recognized in the balance sheet is not available in an active market, the fair value is determined using valuation techniques, including the income approach (e.g., discounted cash flow model) or the market approach, and changes in the assumptions used in these models will affect the fair value of the reported financial instruments. Please refer to Note 12 for details.

(2) Impairment of non-financial assets

An impairment loss occurs when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use. The calculation of fair value less costs to dispose is based on the price that would be paid to sell an asset or to transfer a liability in an orderly transaction between market participants at the measurement date, less incremental costs directly attributable to the disposal of the asset or cash-generating unit. Value in use is calculated based on a discounted cash flow model. Cash flow projections are based on budgets for the next five years and do not include restructuring to which the Company is not yet committed or significant future investments required to enhance the performance of the tested cash-generating unit assets. Recoverable amounts are susceptible to the discount rates used in the discounted cash flow model and the expected future cash inflows and growth rates used for extrapolation purposes.

Part of the Group's investment property, as the assets not yet available for use have no indication of generating cash flows in future years, is measured with net fair value as the recoverable amount. As a result of the assessment, the carrying amount of the assets exceeded their recoverable amounts, and therefore, an impairment loss of $4,000 thousand was recognized for the year 2005.

(3) Impairment assessment of property, plant and equipment

In the process of assessing asset impairment, the Group is required to rely on subjective judgment, including identifying the recoverable amount of cash-generating units and determining the recoverable amount of cash-generating units based on asset utilization patterns and industry characteristics. Any changes in estimates resulting from changes in economic conditions or the Company's strategies may cause material impairment in the future or reverse recognized impairment losses. Please refer to Note 6.9.

(4) Accounts Receivable - Estimated Impairment Loss

The impairment loss on the Group's receivables is measured using the estimated credit loss over the remaining period. The credit loss is measured as the present value of the difference between the contractual cash flows receivable (carrying amount) and the cash flows expected to be received (valuation forward-looking information), except that the effect of discounting short-term receivables is not significant and the credit loss is measured as the undiscounted difference. If actual future cash flows are less than expected, a material impairment loss may result, as described in Note 6.22.

(5) Post-employment benefit plans

The present value of pension cost and defined benefit obligation of the post-employment benefit plan is based on actuarial evaluation. The actuarial valuation involves various assumptions, including discount rates and changes in expected payroll. For a detailed description of the assumptions used to measure the defined benefit cost and defined benefit obligation, please refer to Note 6.19.

(6) Fair value measurement of contingent consideration

Contingencies arising from business combinations are measured at fair value on the acquisition date as part of the business combination. When contingencies meet the definition of derivative financial instruments, they are classified as financial liabilities and are subsequently remeasured at fair value at the end of each reporting period. The determination of fair value is based on discounted cash flows. The key assumptions take into consideration the likelihood of achieving each performance target and the discount factor.

(7) Income tax

Uncertainty in income tax lies in the interpretation of complex tax regulations, the amount of future taxable income that will be generated and the timing. Due to the long-term nature and complexity of extensive international business relationships and contracts, differences between actual results and assumptions made, or future changes in such assumptions, may force future adjustments to recorded income tax benefits and expenses. The provision for income tax is based on reasonable estimates based on probable audits by the tax authorities of the countries in which the Group operates. The amounts provided are based on various factors, such as past tax audit experience and differences in the interpretation of tax regulations by the tax authorities to which the Group belongs. These differences in interpretation may give rise to various issues depending on the location of the Group's individual entities.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available or taxable temporary differences will be deductible from unused tax losses and income tax credits. The determination of the amount of deferred income tax assets to be recognized is based on the timing and level of future taxable income and taxable temporary differences, together with future tax planning strategies.

VI. Summary of Significant Accounting Items

1. Cash and cash equivalents

	2025.12.31	2024.12.31
Cash and petty cash	$100	$111
Demand deposits	2,102,510	4,724,557
Time deposits (Note)	22,630	173,544
Total	$2,125,240	$4,898,212

Note: These are deposits with contract periods within three months, and can be readily converted to fixed amounts of cash with insignificant risk of changes in value.

2. Financial assets at fair value through profit or loss

	2025.12.31	2024.12.31
Mandatorily measured at fair value through profit or loss:		
Exchange-Traded Funds (ETFs)	$8,570	$9,500
Fair value adjustment of financial assets at fair value through profit or loss	(401)	(556)
Subtotal	8,169	8,944
Embedded derivatives	60	-
Derivatives without designated hedging relationship		
Forward foreign exchange contracts	5,635	-
Total	$13,864	$8,944
Current liabilities	$13,864	$8,944
Non-current	-	-
Total	$13,864	$8,944

The Group has not provided financial assets at fair value through profit or loss as guarantees.

3. Financial assets at fair value through other comprehensive income

	2025.12.31	2024.12.31
Investments in equity instruments at fair value through other comprehensive income - non-current		
Shares of unlisted companies	$15,410	$6,410

The Group classifies some financial assets as financial assets at fair value through other comprehensive income, with which no guarantees were provided.

4. Financial assets at amortized cost

	2025.12.31	2024.12.31
Time deposit of more than 3 months	$2,504,101	$820,947

Current liabilities	$2,056,940	$91,216
Non-current	447,161	729,731
Total	$2,504,101	$820,947

The Group classifies some financial assets as financial assets at amortized cost and did not provide guarantees. Please refer to Note 12 for information related to credit risk.

5. Notes receivable, net

	2025.12.31	2024.12.31
Notes receivable - incurred as a result of operations	$104,257	$20,400
Less: Allowance for losses	-	-
Net amount	$104,257	$20,400

The Group has not provided notes receivable as guarantee.

The Group uses IFRS 9 to assess impairment. Please refer to Note 6.22 for information on allowance for losses and Note 12 for information on credit risk.

6. Accounts receivable, net and accounts receivable - related parties

(1) The breakdown of accounts receivable, net and accounts receivable - related parties is as follows:

	2025.12.31	2024.12.31
Accounts receivable - incurred as a result of operations	$1,776,488	$1,198,682
Less: Allowance for losses	(21,444)	(9,693)
Subtotal	1,755,044	1,188,989
Accounts receivable - related parties	95,013	76,804
Less: Allowance for losses	-	-
Subtotal	95,013	76,804
Total	$1,850,057	$1,265,793

The Group's credit period to customers normally ranges from 60 days to 120 days. As of December 31, 2025 and 2024, the total carrying amounts were NTD 1,871,501 thousand and NTD 1,275,486 thousand, respectively. For information regarding the allowance for losses in 2025 and 2024, please refer to Note 6.22; for credit risk information, please refer to Note 12.

(2) The Group has not provided accounts receivable as guarantee.

7. Inventories

(1) The breakdown of net inventories is as follows:

	2025.12.31	2024.12.31
Raw materials	$58,850	$15,175
Less: Allowance for losses (Note)	(9,510)	(6,066)
Subtotal	49,340	9,109

Work in process	158,310	114,670
Less: Allowance for losses (Note)	(20,935)	(19,084)
Subtotal	137,375	95,586
Finished goods	499,673	348,655
Less: Allowance for losses (Note)	(33,437)	(24,928)
Subtotal	466,236	323,727
Total	$652,951	$428,422

Note: The Group's allowance for inventory losses included reversals of inventory scrapping of NTD 17,084 thousand and NTD 15,834 thousand in 2025 and 2024, respectively.

(2) The cost of inventories recognized as expenses for 2025 and 2024 were NTD 2,975,539 thousand and NTD 2,796,395 thousand, respectively, which included the following expenses and losses:

Item	2025	2024
Loss (gain) on inventory valuation (Note)	$(2,220)	$(5,902)

The Group recognized reversal of inventory write-down losses for the years 2025 and 2024 due to the gradual disposal of obsolete inventory, resulting in the reversal of allowance for inventory losses.

Note: The Group recognized (reversed) losses of NTD 14,864 thousand and NTD 9,932 thousand due to aged inventory in 2025 and 2024, respectively.

(3) The Company has not provided the forgoing inventories as guarantee.

8. Investment accounted for using the equity method

(1) Details of the Group's investments under the equity method are as follows:

	2025.12.31		2024.12.31	
Name of investee	Amount	Shareholding percentage	Amount	Shareholding percentage
Taisol Electronics Co., Ltd.	$819,439	15.88%	$760,523	14.46%
Sufengping Automation Equipment (Kunshan) Co., Ltd.	38,302	15.00%	-	-%
Total	$857,741		$760,523	

(2) Investment in associate - Taisol Electronics Co., Ltd.

The associate companies important to the Group are as follows :

①Company name: Taisol Electronics Co., Ltd.

②Principal place of business (country of registration): Taiwan

③Fair value with quoted price in the open market:

Taisol Electronics Co., Ltd. is listed on the Taiwan Stock Exchange. The fair values of the Group's investments in this company accounted for using the equity method were NTD 688,031 thousand and NTD 802,127 thousand as of December 31, 2025, and December 31, 2024, respectively.

④On August 10, 2023, the Board of Directors resolved to invest in Taisol Electronics Co., Ltd. with a price not exceeding NTD 660,000 thousand to acquire part of the equity in order to achieve more diversified development and maximize operational performance. In addition, Mr. Peng-Huang Peng, Vice Chairperson and President of the Company, serves as the Chairperson (the legal person representative of Long-Thin Enterprise Co., Ltd.) and Chief Strategy Officer of Taisol Electronics Co., Ltd.

On May 24, 2024, Taisol Electronics Co., Ltd. conducted a complete re-election of its Board of Directors at the shareholders' meeting. The Company nominated three representatives for corporate director positions who were successfully elected. These corporate director representatives are Mr. Hsin-Nan Kan, the Company’s Chairperson ; Mr. Peng-Huang Peng, the Company’s Vice Chairperson and President; and Mr. Cheng-Kang Yang, the Chairperson of the subsidiary Singatron Electronic (China) Co., Ltd. Subsequently, the Board of Directors elected Mr. Peng-Huang Peng as the Chairperson of Taisol Electronics Co., Ltd.

On August 13, 2024, the Company's Board of Directors resolved to continue investing in Taisol Electronics Co., Ltd. for an amount not exceeding NTD 250,000 thousand.

On March 7, 2025, the Board of Directors resolved to replace corporate director representative Cheng-Gang Yang of Taisol Electronics Co., Ltd. with Peng Hsiueh-Yuan.

Based on the aforementioned circumstances, it can be determined that the Company has significant influence over this company; therefore, it is regarded as an associate.

As of December 31, 2025, the Company has made successive investments totaling NTD 793,290 thousand and acquired 15.88% equity interest.

⑤During the earnings distribution for 2025 and 2024, the Company reduced its investment in Taisol Electronics Co., Ltd. under the equity method by NTD 28,115 thousand and NTD 22,044 thousand, respectively, based on its shareholding ratio.

⑥The summarized financial information and the reconciliation to the book value of the investment are as follows:

	2025.12.31	2024.12.31
Current assets	$2,739,040	$3,126,431
Non-current assets	743,236	627,474
Current liabilities	(1,359,412)	(1,579,235)
Non-current liabilities	(137,942)	(144,835)
Equity	1,984,922	2,029,835
Shareholding ratio of the Company	15.88%	14.46%
Subtotal	315,120	293,514
Acquisition at a premium	504,319	467,009
Carrying amount of investment	$819,439	$760,523
	2025	2024
Operating revenue	$3,621,006	$3,753,882
Net profit from continuing operations for the period	156,399	262,683
Other comprehensive income	7,647	44,924
Current comprehensive income	164,046	307,607

(3) Investment in associated company – Sufengping Automation Equipment (Kunshan) Co., Ltd.

①On August 7, 2025, the Board of Directors approved the acquisition of partial equity in Sufengping Automation Equipment (Kunshan) Co., Ltd. for RMB 8,700 thousand, considering the progress of production automation promoted by SINGATRON Electronics (China) Co. Ltd., a third-tier subsidiary of the Company. By obtaining one of the three director seats, the Group has significant influence over the company and therefore regards it as an associate.

②The Group's investments in the aforementioned associates accounted for using the equity method are not material to the Group. The Group's aggregate carrying amount of investments in the aforementioned associates accounted for using the equity method as of December 31, 2025 was NTD 38,302 thousand, and the aggregate financial information based on the shares owned is presented below:

③The summarized financial information and the reconciliation to the book value of the investment are as follows:

	2025
Net profit from continuing operations for the period	$9,665
Other comprehensive income for the period (net after tax)	-
Total comprehensive income for the period	$9,665

④The Group's equity-accounted investee, Sufengping Automation Equipment (Kunshan) Co., Ltd., and the Group's share of its profit or loss and other comprehensive income were calculated based on financial statements that had not been audited by the CPAs; however, the management of the Group believes that the unaudited financial statements of the aforementioned investee would not have a material impact.

(4) The aforementioned investments accounted for using the equity method had no contingent liabilities or capital commitments as of December 31, 2025 and 2024.

(5) Please refer to Note 8 for the provision of collateral for the aforementioned investment under the equity method.

9. Property, plant and equipment

	2025.12.31	2024.12.31
Property, plant and equipment for the use by the Group	$1,283,556	$889,349

	Land	Buildings	Machinery and equipment	Transportation equipment	Office equipment	Leasehold Improvements	Other equipment	Construction in progress and equipment to be inspected	Total
Costs:									
2025.01.01	$117,248	$537,485	$362,479	$13,021	$72,260	$349	$1,862,293	$36,828	$3,001,963
Addition	120,098	4,033	43,691	-	10,909	-	132,724	138,421	449,876
Acquired through business combinations	-	-	144,531	9	8,209	-	50,761	4,219	207,729
Disposal	-	(300)	(31,030)	-	(2,536)	-	(36,129)	-	(69,995)
Impact of changes in exchange rate	-	(7,751)	(5,967)	(35)	(1,082)	(16)	(38,782)	(799)	(54,432)
Transfer	-	-	36,073	3,189	-	-	53,118	(94,968)	(2,588)
2025.12.31	$237,346	$533,467	$549,777	$16,184	$87,760	$333	$2,023,985	$83,701	$3,532,553
2024.01.01	$117,248	$521,529	$349,452	$12,896	$66,243	$324	$1,678,690	$21,591	$2,767,973
Addition	-	928	20,759	248	7,920	-	123,840	76,475	230,170
Disposal	-	(5,590)	(49,820)	(547)	(5,679)	-	(63,128)	-	(124,764)
Impact of changes in exchange rate	-	19,535	18,280	102	3,419	25	90,897	1,444	133,702
Transfer	-	1,083	23,808	322	357	-	31,994	(62,682)	(5,118)
2024.12.31	$117,248	$537,485	$362,479	$13,021	$72,260	$349	$1,862,293	$36,828	$3,001,963
Accumulated depreciation and impairment:									
2025.01.01	$-	$356,431	$217,629	$6,826	$49,150	$270	$1,482,308	$-	$2,112,614
Depreciation	-	22,257	38,915	2,211	6,264	13	114,763	-	184,423
Impairment loss	-	-	-	-	-	-	4,407	-	4,407
Acquired through business combinations	-	-	20,651	6	3,729	-	15,357	-	39,743
Disposal	-	(300)	(23,873)	-	(2,258)	-	(31,540)	-	(57,971)
Impact of changes in exchange rate	-	(5,102)	(1,788)	(8)	(524)	(12)	(26,785)	-	(34,219)
2025.12.31	$-	$373,286	$251,534	$9,035	$56,361	$271	$1,558,510	$-	$2,248,997
2024.01.01	$-	$325,293	$211,131	$5,279	$46,315	$238	$1,374,007	$-	$1,962,263
Depreciation	-	22,814	31,720	1,946	5,394	14	87,568	-	149,456
Disposal	-	(5,590)	(37,194)	(492)	(5,220)	-	(55,920)	-	(104,416)
Impact of changes in exchange rate	-	13,914	11,972	93	2,661	18	76,653	-	105,311

	Land	Buildings	Machinery and equipment	Transportation equipment	Office equipment	Leasehold Improvements	Other equipment	Construction in progress and equipment to be inspected	Total
2024.12.31	$-	$356,431	$217,629	$6,826	$49,150	$270	$1,482,308	$-	$2,112,614
Net carrying amount:									
2025.12.31	$237,346	$160,181	$298,243	$7,149	$31,399	$62	$465,475	$83,701	$1,283,556
2024.12.31	$117,248	$181,054	$144,850	$6,195	$23,110	$79	$379,985	$36,828	$889,349

The significant components of the Group's buildings are primarily the main building and auxiliary equipment, which are depreciated over their useful lives of 20 to 55 years and 5 to 20 years, respectively.

During 2025, the Group wrote down a portion of its property, plant, and equipment to its recoverable amount, resulting in an impairment loss of NTD 4,407 thousand. The impairment loss has been recognized in other income and expenses, and the recoverable amount is measured based on the value in use at the cash-generating unit level.

Please refer to Note 8 for details of the guarantees provided by the Group using property, plant and equipment.

10. Investment property

Investment properties are mainly the Group's own investment property. The Group has signed commercial property lease contracts for its own investment properties, with lease terms of 2-3 years.

	Land	Buildings	Total
Costs:			
2025.01.01	$6,104	$103,312	$109,416
Addition - arising from purchases	-	-	-
Disposal	-	-	-
Impact of changes in exchange rate	-	(1,958)	(1,958)
2025.12.31	$6,104	$101,354	$107,458
2024.01.01	$6,104	$98,360	$104,464
Addition - arising from purchases	-	-	-
Disposal			
Impact of changes in exchange rate	-	4,952	4,952
2024.12.31	$6,104	$103,312	$109,416
Depreciation and impairment:			
2025.01.01	$2,605	$77,937	$80,542
Depreciation for the period	-	4,320	4,320

	Land	Buildings	Total
Disposal	-	-	-
Impact of changes in exchange rate	-	(1,315)	(1,315)
Transfer	58	(58)	-
2025.12.31	$2,663	$80,884	$83,547
2024.01.01	$2,547	$69,966	$72,513
Depreciation for the period	-	4,461	4,461
Disposal	-	-	-
Impact of changes in exchange rate	-	3,568	3,568
Transfer	58	(58)	-
2024.12.31	$2,605	$77,937	$80,542
Net carrying amount:			
2025.12.31	$3,441	$20,470	$23,911
2024.12.31	$3,499	$25,375	$28,874

	2025	2024
Rental income from investment properties	$3,629	$3,913
Less: Direct operating expenses of investment properties generating rental income for the period	(821)	(869)
Total	$2,808	$3,044

(1) The Group's investment properties are not measured at fair value, and we only disclose information about its fair value, while its fair value hierarchy is level 3.

(2) The Company's investment properties are not measured at fair value, and we only disclose information about its fair value, while its fair value hierarchy is level 3. The fair value of the investment property held by the Company as of December 31, 2025 and 2024 was NTD 8,117 thousand and NTD 7,407 thousand, respectively. The fair value of the aforementioned investment properties was based on the recent transaction prices of similar subject matters or the announced current value of land in the area where each investment property is located.

(3) The fair value of the investment properties held by the Company's subsidiaries amounted to NTD 118,229 thousand and NTD 128,479 thousand as of December 31, 2025 and 2024, respectively, and was determined by independent external appraisers, PRUDENTIAL CROSS-STRAIT REAL ESTATE APPRAISERS FIRM, based on market evidence, and the valuation method used was the direct capitalization method, in which the main input values used and their quantitative information are as follows:

	2025.12.31	2024.12.31
Earnings capitalization rate	3.35%	3.35%

(4) No guarantees were provided by the Group using investment properties.

11. Intangible assets

	Computer software	Other intangible assets	Patent rights	Goodwill	Total
Costs:					
2025.01.01	$47,078	$8,027	$-	$-	$55,105
Addition - acquired separately	8,255	-	4,533	-	12,788
Acquired through business combinations	9,185	1,126	42,208	642,503	695,022
Derecognition upon expiration	(6,596)	-	-	-	(6,596)
Impact of changes in exchange rate	(1,210)	(157)	-	-	(1,367)
Transfer	2,749	-	-	-	2,749
2025.12.31	$59,461	$8,996	$46,741	$642,503	$757,701
2024.01.01	$36,245	$7,630	$-	$-	$43,875
Addition - acquired separately	3,891	-	-	-	3,891
Derecognition upon expiration	(245)	-	-	-	(245)
Impact of changes in exchange rate	2,069	397	-	-	2,466
Transfer	5,118	-	-	-	5,118
2024.12.31	$47,078	$8,027	$-	$-	$55,105
Amortization and impairment:					
2025.01.01	$20,134	$602	$-	$-	$20,736
Amortization	9,665	254	215	-	10,134
Acquired through business combinations	1,182	-	-	-	1,182
Derecognition upon expiration	(6,596)	-	-	-	(6,596)
Impact of changes in exchange rate	(280)	(3)	2	-	(281)
2025.12.31	$24,105	$853	$217	$-	$25,175
2024.01.01	$11,352	$318	$-	$-	$11,670
Amortization	8,194	262	-	-	8,456
Derecognition upon expiration	(245)	-	-	-	(245)
Impact of changes in exchange rate	833	22	-	-	855
2024.12.31	$20,134	$602	$-	$-	$20,736
Net carrying amount:					
2025.12.31	$35,356	$8,143	$46,524	$642,503	$732,526
2024.12.31	$26,944	$7,425	$-	$-	$34,369

Amortization of recognized intangible assets was as follows:

	2025	2024
Operating costs	$264	$24
Selling expenses	1,926	1,431
Administrative expenses	7,944	7,001
Total	$10,134	$8,456

12. Short-term loans

	Interest rate range (%)	2025.12.31	2024.12.31
Unsecured bank loans	1.10%～4.20%	$779,148	$450,000
Secured bank loans	1.78%～2.88%	100,000	80,000
Total		$879,148	$530,000

As of December 31, 2025 and 2024, the Group's unused short-term credit facilities were approximately NTD 3,973,777 thousand and NTD 3,471,039 thousand, respectively.

Please refer to Note 8 for the assets provided as collaterals for short-term borrowing facilities.

13. Short-term notes payable

	2025.12.31	2024.12.31
Commercial paper payable	$30,000	$-
Less: Discount on commercial paper	(6)	-
Total	$29,994	$-

14. Financial liabilities measured at fair value through profit or loss

	2025.12.31	2024.12.31
Mandatorily measured at fair value through profit or loss:		
Derivatives without designated hedging relationship		
Forward foreign exchange contracts	$-	$3,643
Embedded financial derivatives - redemption option	-	318
Total	$-	$3,961
Current liabilities	$-	$3,961
Non-current	-	-
Total	$-	$3,961

15. Long-term borrowings

(1) Details of long-term borrowings as at December 31, 2025 and 2024 are as follows:

Creditor	2025.12.31	Interest rate range (%)	Repayment period and method
Secured loans from Chang Hwa Commercial Bank	$112,500	Interest is calculated based on the one-year floating interest rate +0.625% of post office savings	The borrowing period is from January 5, 2023 to January 5, 2028, including a repayment grace period of 2 years, with a quarterly instalment, a total of 12 equal installments to repay the principal, with the interest paid monthly.
Guaranteed loan of CTBC Bank	402,253	Interest calculated at TAIBOR +1.27%, after March 1, 2024 at TAIBOR +0.98%	The borrowing period extends from September 5, 2024, to September 5, 2029. Principal repayments are scheduled as follows: NTD 150,000 thousand on each of June 30, 2025, June 30, 2026, and June 30, 2027, with the remaining principal to be repaid on September 30, 2029. Interest is payable monthly.
Agricultural Bank of China credit loans	20,346	Based on the one-year LPR of 2.7% on the day before borrowing, reduced by 0.4% annually, with the spread remaining unchanged during the loan term	The loan period extends from April 29, 2025, to April 27, 2028, with principal repayments of RMB 150 thousand each quarter, and the remaining principal to be repaid on April 27, 2028. Interest is payable monthly.
Less: Due within one year	(202,683)		
Due in more than one year	$332,416		

Creditor	2024.12.31	Interest rate range (%)	Repayment period and method
Secured loans from Chang Hwa Commercial Bank	$150,000	Interest is calculated based on the one-year floating interest rate +0.625% of post office savings	The borrowing period is from January 5, 2023 to January 5, 2028, including a repayment grace period of 2 years, with a quarterly instalment, a total of 12 equal installments to repay the principal, with the interest paid monthly.
Guaranteed loan of CTBC Bank	507,715	Interest calculated at TAIBOR +1.27%, after March 1, 2024 at TAIBOR +0.98%	The borrowing period extends from September 5, 2024, to September 5, 2029. Principal repayments are scheduled as follows: NTD 150,000 thousand on each of June 30, 2025, June 30, 2026, and June 30, 2027, with the remaining principal to be repaid on September 30, 2028. Interest is payable monthly.
Less: Due within one year	(187,500)		
Due in more than one year	$470,215		

(2) Please refer to Note 8 for details of the guarantees provided using assets.

16. Other payables

	2025.12.31	2024.12.31
Expenses payable	$470,576	$363,550
Interest payable	1,037	679
Payables for equipment	81,532	60,124
Total	$553,145	$424,353

17. Corporate bonds payable

(1) Details of the Group's corporate bonds payable as of December 31, 2025, and December 31, 2024, are as follows:

	2025.12.31	2024.12.31
Elements of liabilities:		
Face value of domestic convertible corporate bonds payable	$199,000	$199,000
Less: Discount of domestic convertible corporate bond payable	(1,619)	(6,234)
Subtotal	197,381	192,766
Less: Due within one year	(197,381)	(192,766)
Net amount	$-	$-
Embedded financial derivatives - redemption option	$(60)	$318
Equity elements - conversion right	$17,610	$17,610

For embedded financial derivatives (gain or loss on valuation of redemption right and interest expense amount recognized in corporate bonds), please refer to Note 6.25.

(2) The Group issued the third domestic unsecured convertible corporate bonds on November 30, 2023. The main terms of the issue are as follows:

(A) Total amount of issuance: NTD 500,000 thousand

(B) Date of issue: 2023/11/30

(C) Issuance price: Issued at 104.18% of the par value

(D) Coupon rate: 0%

(E) Issuance period: 2023/11/30 - 2026/11/30

(F) Repayment upon maturity: Unless the bondholder converts into the Company's common shares in accordance with Article 10 of these Regulations, or exercises the right of sale in accordance with Article 19 of these Procedures, or the Company has redeemed the bonds early in accordance with Article 18 of these Procedures, or the bonds are purchased and canceled by the Company from a brokerage firm, the Company shall repay the bonds held by the bondholders in cash at the face value within ten business days following the maturity date of the bonds. In the event that the centralized securities exchange market is closed on the aforementioned dates, it shall be postponed to the next business day.

(G) Conversion period: The bondholders may redeem the bonds from the day following the expiration of three months after the date of issue of the convertible corporate bonds (March 1, 2024) to the maturity date (November 30, 2026), except (1) book closure period during in accordance with the law, (2) the date on which the book is closed for bonus shares, the date on which the transfer of cash dividends is closed, or the transfer date for capital increase in cash, until the record date for distribution of rights; (3) one day prior to the commencement date of the trading of the shares to be issued in exchange for the capital reduction, and (4) the date on which conversion (subscription) of the change of par value of the shares is canceled other than the date one day prior to the commencement date of trading of the new shares to be exchanged. The bondholder may request the Company's Shareholder Service Agent to convert the principal amount of convertible corporate bonds into common shares of the Company through the Taiwan Depository & Clearing Corporation (hereinafter referred to as the "TDCC") in accordance with these Regulations, and Proceed in accordance with Articles 10, 11, 13 and 15 of these Procedures.

The starting date for the cessation of conversion (subscription) of the changed denomination in the preceding paragraph is one business day prior to the application for change registration from the Ministry of Economic Affairs, and the issuing company announce the cessation of conversion period four business days prior to such starting date.

(H) Conversion price and adjustment thereof:

The conversion price is set at NTD 28.50 per share at the time of issuance. In the event that the conversion price of the Company's common share conversion or share options meet the requirements of the terms of issuance, the conversion price will be adjusted according to the formula specified in the terms of the issuance.

The Company adjusted the conversion price of its third domestic unsecured convertible bonds during 2024 due to the distribution of cash dividends for common stock, in accordance with the issuance and conversion regulations. As a result, the conversion price was adjusted from NTD 28.50 to NTD 27.60, effective September 23, 2024.

The Company adjusted the conversion price of its third domestic unsecured convertible bonds during 2025 due to the distribution of cash dividends for common stock, in accordance with the issuance and conversion regulations. As a result, the conversion price was adjusted from NTD 27.60 to NTD 26.80, effective September 18, 2025.

(I) The Company's right of redemption:

(I) If the Company's common shares traded over TPEx for 30 consecutive business days exceed the prevailing conversion price by 30% (or more) from the day following the expiration of three months after the issuance date of the bonds (March 1, 2024) to the 40th day prior to the expiration date of the issuance period (October 21, 2026), within the 30th day following the issuance date of the bonds, the Company may send a "Bond Recovery Notice" (the aforesaid period starts from the date of issuance of the letter by the Company, and the expiry date of the period is regarded as the record date for bond recovery; also, the aforementioned period shall not be the period of suspension of conversion as specified in Article 9) to the bondholders (subject to the roster of bondholders on the 5th business day prior to the mailing date of the Bond Recovery Notice; and for those holders who acquire the bonds for subsequent trading or for other reasons, an announcement shall be made). The redemption price is set at the face value of the bonds, and all of its outstanding bonds shall be redeemed in cash. The Company executes the recovery request by redeeming all of its outstanding convertible bonds at the face value of the bonds within five business days following the record date for redemption of the bonds by cash.

(II) If the outstanding balance of the Company's common shares is lower than 10% from the day following the expiration of three months after the issuance date of the bonds (March 1, 2024) to the 40th day prior to the expiration date of the issuance period (October 21, 2026), the Company may send a "Bond Recovery Notice" any time following the issuance date of the bonds (the aforesaid period starts from the date of issuance of the letter by the Company, and the expiry date of the period is regarded as the record date for bond recovery; also, the aforementioned period shall not be the period of suspension of conversion as specified in Article 9) to the bondholders (subject to the roster of bondholders on the 5th business day prior to the mailing date of the Bond Recovery Notice; and for those holders who acquire the bonds for subsequent trading or for other reasons, an announcement shall be made). The redemption price is set at the face value of the bonds, and all of its outstanding bonds shall be redeemed in cash. The Company executes the recovery request by redeeming all of its outstanding convertible bonds at the face value of the bonds within five business days following the record date for redemption of the bonds by cash. When the Company executes the demand for recovery of the bonds, it shall recover the outstanding convertible bonds at the face value of the bonds in cash within 5 business days following the record date of bond recovery.

(III) If the bondholders fail to respond in writing to the Company's stock agency before the record date of the bond call as stated in the "Bond Call Notice" (effective immediately upon the service; the postmark date is used as the basis for mailing orders), the Company will redeem the convertible bonds at the face value of the bonds within 5 business days following the record date of redemption.

(IV) If the Company executes the recovery request, the deadline for the bondholders to request for the conversion is the second business day following the date on which the bonds are terminated on TPEx.

(J) Resale option of bondholders: The record date for the early sell-back of the convertible corporate bonds by the bondholders on the date when the convertible corporate bonds have been issued for two years (November 30, 2025). On or before 40 days prior to the redemption reference date (Octobor 21, 2025), the Company shall send a "Notice of Exercise of Sales Redemption Right" to the bondholders by registered mail (with the title of "Sell-Back Option Notice"; subject to the roster of bondholders on the 5th business day prior to the mailing date of the Bond Recovery Notice; and for those holders who acquire the bonds for subsequent trading or for other reasons, an announcement shall be made). The Company shall send a letter to TPEx to announce the exercise of the sell-back option. The bondholders may, request the Company to redeem the bonds at their face value plus interest compensation by written notice to the Company's transfer agent (effective upon delivery, or by postmark if mailed) within 40 days prior to the record date of the sale. The interest compensation after two years is 101.5056% of the bond face value (real yield is 0.75%). Upon accepting the sale back request, the Company shall redeem the convertible corporate bonds in cash within five business days after the record date of the redemption. In the event that the Taipei centralized securities exchange market is closed on the aforementioned dates, it shall be postponed to the next business day.

(3) As of December 31, 2025, NTD 301,000 thousand of the Company's domestic unsecured convertible bonds have been converted into 10,561 thousand shares of common stock. The net amount of the conversion exceeding the par value of the converted common stock was transferred to capital surplus – convertible corporate bonds, with a conversion premium of NTD 203,611 thousand.

18. Other non-current liabilities

	2025.12.31	2024.12.31
Long-term payables - related parties	$280,967	$-
Net defined benefit liabilities	12,432	13,277
Deposits received	3,964	2,447
Total	$297,363	$15,724

19. Post-retirement benefit plan

Defined contribution plans

The Company's retirement plan under the "Labor Pension Act" is a defined contribution plan. In accordance with the Act, the Company's monthly contribution rate shall not be less than 6% of the employees' monthly salaries. The Company has made monthly contributions of 6% of employees' salaries to the individual pension accounts with the Bureau of Labor Insurance in accordance with the Employee Retirement Regulations, which were formulated in accordance with the Act.

The Company's subsidiaries in Mainland China contribute a certain percentage of the employees' total salaries to the endowment insurance fund in accordance with the local government regulations, which is paid to the relevant government departments and deposited in the dedicated accounts for each employee.

The Group's other foreign subsidiaries and branches contribute pension funds to the relevant pension management businesses in accordance with local laws and regulations.

The Group recognized expenses for defined contribution plans of NTD 3,706 thousand and NTD 3,773 thousand for fiscal years 2025 and 2024, respectively.

Defined benefit plans

The Company's pension plan under the "Labor Standards Act" is a defined benefit plan under. The pension payments are based on the bases of years of service and the approved monthly average salary at the time of retirement. Two bases are granted for each year of service up to (including) 15 years, and one base is granted for each year of service over 15 years, subject to a maximum accumulation of 45 bases. In accordance with the Labor Standards Act, the Company appropriates monthly 2% of total salaries to a pension fund, deposited in the name of the Supervisory Committee of Labor Retirement Reserve in a dedicated at the Bank of Taiwan. In addition, the Company estimates the balance of the aforementioned pension fund before the end of each year. If the balance is not sufficient to pay the amount of pension benefits to employees eligible for retirement in the following year, the difference will be made up by the end of March of the following year.

The Ministry of Labor conducts asset allocations in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and the investment of the fund is conducted by the Ministry itself or through outsourcing, using both active and passive management with medium and long-term investment strategies. The Ministry of Labor sets risk limits and control plans for the fund, taking into account market, credit, and liquidity risks, so that the fund has sufficient flexibility to achieve target returns without excessive risk exposure. For the utilization of the fund, the minimum income to be distributed based on the annual final accounting reports shall not be lower than the income calculated based on the two-year time deposits in a local bank. If there is any shortage, it shall be made up by the national treasury after approval by the competent authority. Because the Company does not have the right to participate in the operations and management of the fund, it cannot disclose the classification of the fair value of plan assets in accordance with section 142 of IAS 19. As of December 31, 2025, NTD 291 thousand is expected to be appropriated from the Company's defined benefit plan in the following year.

As of December 31, 2025 and 2024, the Company's defined benefit plans were expected to expire in 2038.

The following table summarizes the cost of the defined benefit plans recognized in profit or loss.

	2025	2024
Net interest on net defined benefit liabilities (assets)	$214	$203

A reconciliation of the present value of the defined benefit obligation to the fair value of plan assets is as follows:

	2025.12.31	2024.12.31	2024.01.01
Present value of defined benefit obligation	$18,658	$18,802	$20,035
Fair value of plan assets	(5,935)	(5,162)	(5,115)
Subtotal	12,723	13,640	14,920
Estimated appropriation for net defined benefit liabilities in the next year	(291)	(363)	(324)
The amount of other non-current liabilities - net defined benefit liabilities (assets) on the accounting books	$12,432	$13,277	$14,596

Reconciliation of net interest on net defined benefit liabilities (assets):

	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities (assets)
2024.01.01	$20,035	$(5,115)	$14,920
Service costs for the period	-	-	-
Interest expense (income)	273	(70)	203
Service costs for the prior period and settlement gains and losses	-	-	-
Subtotal	273	(70)	203
Remeasurement of defined benefit liabilities/assets:			
Actuarial gains or losses from changes in demographic assumptions	138	-	138
Actuarial gains or losses from changes in financial assumptions	(545)	(430)	(975)
Adjustments through experience	(311)	-	(311)
Remeasurement of defined benefit liabilities	-	-	-
Subtotal	(718)	(430)	(1,148)
Benefits paid	(788)	788	-
Appropriations by employer	-	(335)	(335)
2024.12.31	18,802	(5,162)	13,640
Service costs for the period	-	-	-
Interest expense (income)	295	(81)	214
Service costs for the prior period and settlement gains and losses	-	-	-
Subtotal	295	(81)	214
Remeasurement of defined benefit liabilities/assets:			
Actuarial gains or losses from changes in demographic assumptions	-	-	-
Actuarial gains or losses from changes in financial assumptions	325	(404)	(79)
Adjustments through experience	(764)	-	(764)
Remeasurement of defined benefit liabilities	-	-	-
Subtotal	(439)	(404)	(843)
Benefits paid	-	-	-
Appropriations by employer	-	(288)	(288)
2025.12.31	$18,658	$(5,935)	$12,723

The following key assumptions were used to determine the Company's defined benefit plans:

	2025.12.31	2024.12.31
Discount rate	1.43%	1.57%
Expected salary increase rate	3.00%	3.00%

Sensitivity analysis for each significant actuarial assumption:

	2025		2024	
	Increase in defined benefit obligation	Decrease in defined benefit obligation	Increase in defined benefit obligation	Decrease in defined benefit obligation
Increase in discount rate by 0.5%	$-	$(1,129)	$-	$(1,231)
Decrease in discount rate by 0.5%	1,224	-	1,340	-
Increase in expected salary increase rate by 0.5%	1,199	-	1,314	-
Decrease in expected salary increase rate by 0.5%	-	(1,118)	-	(1,221)

The foregoing sensitivity analysis was performed to analyze the potential impact on the defined benefit obligation if a reasonably possible change in a single actuarial assumption (e.g., discount rate or expected salary) occurs, assuming other assumptions remained constant. The analysis is limited by the fact that some actuarial assumptions are interrelated and, in practice, changes in only a single actuarial assumption rarely occur.

The method and assumptions used in the sensitivity analysis for the current period are no different from those used in the prior period.

20. Equity

(1) Common stock

As of December 31, 2025 and 2024, the Company's authorized share capital was both NTD 2,000,000 thousand; the issued share capital was NTD 1,278,269 thousand, with a par value of NTD 10 per share, divided into 127,827 thousand shares. Each share has one voting right and is entitled to receive dividends.

From January 1 to December 31, 2024, the Company's third domestic unsecured convertible bonds with a face value of NTD 301,000 thousand were converted into common stock with a par value of NTD 105,613 thousand. These shares had a par value of NTD 10 each, resulting in 10,561 thousand new shares.

(2) Capital surplus

	2025.12.31	2024.12.31
Premium on convertible bond conversion	$203,611	$203,611
Stock options - others	17,634	17,634
Recognition of change in ownership interests in subsidiaries (Note 1)	1,552,746	1,553,109
Others (Note 2)	87	87
Total	$1,774,078	$1,774,441

Note 1: Such capital surplus represents the effect of equity transactions recognized for changes in the equity of subsidiaries without actually acquiring the equity in the subsidiaries.

Note 2: This capital reserve represents the exercise of disgorgement.

Capital surplus shall not be used except to make up for losses of the Company, and when the Company has no losses, capital surplus generated from the proceeds from the issuance of shares in excess of par value and the proceeds from the receipt of gifts shall be capitalized as equity up to a certain percentage of the paid-in capital every year, and the aforementioned capital surplus may also be distributed in cash in proportion to the original shareholdings of the shareholders. In addition, capital surplus from long-term equity investments shall not be used for any purpose.

(3) Treasury stock

As of December 31, 2025, the balance of treasury stock held by the Company was NTD 29,030 thousand, comprising 1,230 thousand shares. As of December 31, 2024, the Company held no treasury stock.

The changes in the Company's treasury stock from January 1 to December 31, 2025 and 2024 are as follows:

Reason for recovery	Number of shares at the beginning of the period	Increase during the period	Decrease during the period	Number of shares at the end of the period
Transfer of shares to employees	- Thousands of shares	1,230 thousand shares	- Thousands of shares	1,230 thousand shares

2024.01.01 - 2024.12.31

None

The Securities and Exchange Act stipulates that the number of shares to be bought back by the Company shall not exceed 10% of the total number of shares issued by the Company, and the total amount of shares to be bought shall not exceed the amount of retained earnings plus premiums on issued shares and realized capital surplus.

(4) Earnings distribution and dividend policy

A. Earnings Distribution

In accordance with the Company's Articles of Incorporation, if the Company makes a net profit in a year as indicated in the annual accounting reports, the Company shall first make up for past losses and secondly set aside 10% as legal reserve and set aside or reverse special reserve in accordance with the law, and if there is any surplus, the Board of Directors shall prepare a proposal for the distribution of earnings after adding the undistributed earnings of previous years. In accordance with Paragraph 5, Article 240 of the Company Act, "When the Company distributes dividends and bonuses in whole or in part in cash, the Board of Directors is authorized to approve the distribution by a resolution of a majority of the directors present, with at least two-thirds of the directors present, and to report the distribution to the shareholders' meeting." In addition, if the Company distributes all or part of the dividends and bonuses by issuance of new shares, the dividends shall be resolved by the shareholders' meeting.

The Company's dividends policy is formulated to support business expansion, based on operating strategies, investment plans, capital budget and changes in internal and external environment. The Company shall set aside at least 20% of the accumulated distributable earnings as dividends to shareholders, of which no less than 10% of the total dividends shall be in cash. Cash dividends less than $0.1 per share calculated in accordance with the above dividend policy shall not be distributed. The Company shall not pay dividends or bonuses, if there is no surplus in earnings.

At the Company's regular shareholders' meeting held on June 4, 2025, the distribution of earnings and dividends per share for 2024 was proposed and resolved as follows:

	Earnings appropriation and distribution proposal	Dividends Per Share (NTD)
	2024	2024
Legal reserve	$12,375	
Provision (reversal) of special reserve	(125,976)	
Cash dividends on common stock	95,871	$0.75
Total	$(17,730)	

The appropriation and distribution of earnings for 2025 is expected to be proposed by the Board of Directors at the most recent Board meeting following the approval of the financial statements.

Please refer to Note 6.24 for information on the basis of remuneration for employees and directors and the amounts recognized.

B. Legal reserve

Under the Company Act, legal reserve should be appropriated until the total amount of legal reserve reaches total capital. The legal reserve may be used to make up for losses. If the Company has no losses, the excess of legal reserve over 25% of the paid-in capital may be distributed as new shares or cash in proportion to the original shareholdings of shareholders.

The shareholders' meetings held on June 4, 2025 and June 7, 2024 resolved to appropriate NTD 12,375 thousand and NTD 17,870 thousand, respectively as legal reserve.

C. <u>Special reserve</u>

Upon the distribution of distributable earnings, a special reserve is provided for the difference between the balance of the special reserve and the net decrease in other equity upon the adoption of IFRSs for the first time. If there is a subsequent reversal of the net deduction from other equity, a special reserve may be reversed to distribute earnings for the portion of the reversal of the net deduction from other equity.

In accordance with the Financial Supervisory Commission's Order Jin-Guan-Zheng-Fa-Zi No. 1090150022 issued on March 31, 2021, a special reserve is provided for the portion of unrealized revaluation increment and cumulative translation adjustments (gain) recorded at the date of transition to IFRSs that is transferred to retained earnings as a result of the adoption of IFRS 1, "First-time Adoption of International Financial Reporting Standards" exemption. The Company may reverse the distributed earnings in proportion to the special reserve originally provided for when the Company uses, disposes of or reclassifies related assets.
The amount of the special reserve applied for the first time by the Company as of January 1, 2025 and 2024 was both NTD 30,933 thousand. There was no reversal of special reserve from January 1 to December 31, 2025 and 2024 due to the use, disposal, or reclassification of related assets. As of December 31, 2025 and 2024, the amount of the special reserve applied for the first time was both NTD 30,933 thousand.

At the shareholders' meetings held on June 4, 2025, and June 7, 2024, the Company resolved to appropriate (reverse) special reserves of NTD (125,976) thousand and NTD 31,371 thousand, respectively.

For information on the distribution of earnings resolved at the shareholders' meeting, please refer to the “Market Observation Post System” of the Taiwan Stock Exchange.

(5) Non-controlling interests

	2025	2024
Balance at the beginning of the period	$2,767,921	$2,626,567
Net profit attributable to non-controlling interests for the period	110,892	114,945
Total comprehensive income attributable to non-controlling interests		
Exchange differences on translation of the financial statements of foreign operations	(58,646)	139,217
Changes in non-controlling interests - Cash dividends of Singatron Electronics (China) Co., Ltd.	(102,813)	(112,910)
Other – changes in consolidated entities	81,773	-
Change in ownership interests in subsidiaries	363	102
Balance at the end of the period	$2,799,490	$2,767,921

21. Operating revenue

	2025	2024
Revenue from contracts with customers		
Revenue from sales of merchandise	$3,899,697	$3,630,786

(1) Breakdown of revenue

2025

	Connectors segment	Electronic module products segment	Total
Merchandise sales	$3,836,937	$62,760	$3,899,697
Timing of revenue recognition:			
At a certain point in time	$3,836,937	$62,760	$3,899,697

2024

	Connectors segment	Electronic module products segment	Total
Merchandise sales	$3,564,675	$66,111	$3,630,786
Timing of revenue recognition:			
At a certain point in time	$3,564,675	$66,111	$3,630,786

(2) Contract balance

Contract liabilities - current

	2025.12.31	2024.12.31	2024.01.01
Sales of merchandise	$4,358	$3,886	$2,411

The increase in the balance of the Group's contract liabilities for 2025 and 2024 was due to the partial consideration received from customers in advance and the Group's obligation to provide sales of products at a later date.

(3) Transaction price allocated to outstanding performance obligations

There was no need for the Group to provide information on outstanding performance obligations as of December 31, 2025 and 2024 as the Group's contracts were all shorter than one year.

(4) Assets recognized from the cost of acquiring or performing customer contracts

None.

22. Expected credit impairment loss (profit)

	2025	2024
Operating expenses - expected credit impairment losses (gains)		
Accounts receivable	$792	$1,307
Other receivables	226	(197)
Total	$1,018	$1,110

For information related to credit risk, please refer to Note 12.

The Group's allowance for losses on receivables (including notes and accounts receivable) are measured at the lifetime expected credit losses. The information on the amounts of the allowance for losses estimated as of December 31, 2025 and 2024 is as follows:

(1) Receivables are divided into groups by considering the credit ratings of transaction counterparties, regions and industries, and the allowance for losses is measured using an allowance matrix.

2025.12.31

Group 1

	Not past due (Note)	Days past due: Within 30 days	31~60 days	61~90 days	91~120 days	121 days or more	Total
Total carrying amount	$1,864,487	$74,856	$18,738	$542	$9	$4,134	$1,962,766
Loss rate	0～1%	2～26%	27～55%	55～80%	80～100%	100%	
Expected credit losses for the duration of existence	(2,462)	(7,158)	(7,067)	(420)	(9)	(4,134)	(21,250)
Carrying amount	$1,862,025	$67,698	$11,671	$122	$-	$-	$1,941,516

Group 2

	Not past due (Note)	Days past due: Within 30 days	31~60 days	61~90 days	91 days or more	Total
Total carrying amount	$12,691	$301	$-	$-	$-	$12,992
Loss rate	0～2%	2～26%	27～55%	55～80%	81～100%	
Expected credit losses for the duration of existence	(167)	(27)	-	-	-	(194)
Carrying amount	$12,524	$274	$-	$-	$-	$12,798

Note: None of the Group's notes receivable were past due.

2024.12.31

Group 1

	Not past due	Days past due					
	(Note)	Within 30 days	31~60 days	61~90 days	91~120 days	121 days or more	Total
Total carrying amount	$1,272,790	$3,623	$-	$-	$-	$3,832	$1,280,245
Loss rate	0～1%	2～24%	25～45%	46～60%	60～85%	86～100%	
Expected credit losses for the duration of existence	(4,828)	(835)	-	-	-	(3,832)	(9,495)
Carrying amount	$1,267,962	$2,788	$-	$-	$-	$-	$1,270,750

Group 2

	Not past due	Days past due				
	(Note)	Within 30 days	31~60 days	61~90 days	91 days or more	Total
Total carrying amount	$15,264	$377	$-	$-	$-	$15,641
Loss rate	0～2%	2～14%	15～50%	51～55%	56～100%	
Expected credit losses for the duration of existence	(148)	(50)	-	-	-	(198)
Carrying amount	$15,116	$327	$-	$-	$-	$15,443

Note: None of the Group's notes receivable were past due.

(2) Information on the changes in the Group's allowance for losses on notes receivable, accounts receivable and other receivables for 2025 and 2024 are as follows:

	Notes receivable	Accounts receivable	Other receivables
2025.01.01	$-	$9,693	$4,328
Increase (reversal) for the period	-	792	226
Acquired through business combinations	-	11,215	1,452
Effect of exchange rate	-	(256)	(79)
Written off due to uncollectible	-	-	(376)
2025.12.31	$-	$21,444	$5,551
2024.01.01	$-	$8,140	$4,301
Increase (reversal) for the period	-	1,307	(197)
Effect of exchange rate	-	471	224
Written off due to uncollectible	-	(225)	-
2024.12.31	$-	$9,693	$4,328

23. Leases

(1) The Group as lessee

The Group leases a number of different assets, including real estate (land, buildings and buildings), transportation equipment and other equipment. The lease period of each contract ranges from 2 to 50 years. Some of the contracts stipulate that the lessee may not lend, sublet, assign or otherwise disguise the use of all or part of the leased property to others, or assign the leasehold rights to others, without the consent of the lessor.

The effect of leases on the financial position, financial performance and cash flow of the Group is described as follows:

A. Amount recognized in the balance sheet

(a) Right-of-use assets.

Carrying amount of right-of-use assets

	2025.12.31	2024.12.31
Land	$32,214	$33,900
Buildings	54,008	22,061
Transportation equipment	9,373	16,211
Other equipment	215	470
Total	$95,810	$72,642

(b) Lease liabilities

	2025.12.31	2024.12.31

Lease liabilities	$67,278	$38,838
Current liabilities	$25,946	$19,279
Non-current	$41,332	$19,559

Please refer to Note 6.25 Finance costs for the interest expense on the Group's lease liabilities for 2025 and 2024; and Note 12.5 Liquidity risk management for the maturity analysis of the lease liabilities as of December 31, 2025 and 2024.

B. Amounts recognized in statement of comprehensive income

Depreciation of right-of-use assets

	2025	2024
Land	$972	$1,004
Buildings	12,636	8,678
Transportation equipment	6,723	6,767
Other equipment	422	299
Total	$20,753	$16,748

C. Income and expenses of lessee related to lease activities

	2025	2024
Short-term lease expenses (rental expenditures)	$3,196	$6,163

As of December 31, 2025, and December 31, 2024, the Group's committed short-term lease portfolio does not consist of lease subjects similar to the aforementioned short-term lease expenses, with related commitments amounting to NTD 0.

D. Cash outflows of lessee related to lease activities

The Group's total cash outflow for leases in fiscal years 2025 and 2024 was NTD 23,609 thousand and NTD 22,802 thousand, respectively.

(2) The Group as lessor

Please refer to Note 6.10 for disclosures related to the Group's investment properties owned by the Group. Investment properties owned by the Group are classified as operating leases because substantially all the risks and rewards incidental to ownership of the subject assets have not been transferred.

The undiscounted lease payments of the operating lease contracts signed by the Group to be received and the total amount for the remaining years as of December 31, 2025 and 2024 are as follows:

	2025.12.31	2024.12.31
No more than one year	$2,879	$2,755
More than one year but not more than five years	481	1,483
Total	$3,360	$4,238

24. The summary table of employee benefits, depreciation, and amortization expenses by function is as follows:

Function / Nature	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefit expense						
Salary expense	$221,576	$276,919	$498,495	$240,947	$257,676	$498,623
Labor and health insurance expenses	52,567	36,491	89,058	56,455	35,286	91,741
Pension expenses	-	3,920	3,920	-	3,976	3,976
Directors' Remuneration	-	9,560	9,560	-	8,500	8,500
Other employee benefits expenses	16,207	6,647	22,854	19,109	6,715	25,824
Depreciation expenses (including investment property and right-of-use assets)	146,409	63,087	209,496	119,558	51,107	170,665
Amortization expenses	264	9,870	10,134	24	8,432	8,456

In accordance with the Company's Articles of Incorporation, if the Company generates a profit in a year, it shall allocate no less than one-thousandth thereof as employee remuneration and no more than three percent thereof as directors' remuneration. However, if the Company has accumulated losses, it shall reserve in advance an amount to make up for them. The aforementioned profit sharing remuneration in the form of stock or cash shall be resolved by the Board of Directors with the presence of two-thirds of the directors and the approval of a majority of the directors present, and shall be reported to the shareholders' meeting. On June 4, 2025, the Company approved at the shareholders meeting an amendment to the Articles of Incorporation stipulating that, of the employee remuneration set forth in the preceding paragraph, no less than 10% shall be allocated as remuneration to grassroots employees. For information related to employee remuneration and directors' remuneration approved by the Board of Directors, please visit the Market Observation Post System of the Taiwan Stock Exchange.

Based on the Company's profitability for 2025, employee remuneration and directors' remuneration were estimated at no less than one-thousandth and no more than 3%, respectively, and employee remuneration and directors' remuneration in the amounts of NTD 1,500 thousand and NTD 3,600 thousand, respectively, were recognized under salary expense. On March 12, 2026, the Board of Directors of the Company resolved to distribute employee remuneration and directors' remuneration in cash in the amounts of NTD 1,500 thousand and NTD 3,600 thousand, respectively, with no difference from the amounts recognized as expenses in the 2025 Financial Statements.

Based on the Company's 2024 profitability, the profit sharing remuneration for employees and that for directors were estimated at no less than 1% and no more than 3%, respectively, and the amount of profit sharing remuneration for employees and that for directors and supervisors were recognized as NTD 1,000 thousand and NTD 4,150 thousand, respectively, under salary expenses. The Company's Board of Directors resolved on March 7, 2025 to distribute NTD 1,000 thousand as remuneration to employees and NTD 4,150 as remuneration to directors both in cash, which are inconsistent with the amount recorded as "expenses" in the 2024 financial report difference.

The Group's overseas subsidiaries estimated the total incentive bonuses for employees at NTD 15,500 thousand and NTD 17,000 thousand for 2025 and 2024, respectively, which were included in the consolidated salary expenses.

25. Non-operating income and expenses

(1) Other income

	2025	2024
Rental income	$3,697	$4,011
Interest income		
Bank deposits	44,893	51,424
Financial assets measured at amortized cost	25,021	41,992
Others	-	84
Subtotal	69,914	93,500
Dividend income	395	215
Other income - others	10,129	10,484
Total	$84,135	$108,210

(2) Other gains or losses

	2025	2024
Gain (loss) on disposal of property, plant and equipment	$(8,580)	$(16,019)
Net foreign currency exchange gains (losses)	(15,557)	19,828
Gain (loss) on valuation of financial assets/liabilities at fair value through profit or loss	9,433	(9,129)
Other losses	(10,666)	(5,540)
Disposal of investment loss	(76)	-
Gain (loss) on lease modification	111	21
Impairment on loss on property, plant and equipment	(4,407)	-
Total	$(29,742)	$(10,839)

(3) Financial costs

	2025	2024
Interest on bank loans	$30,370	$23,868
Interest on lease liabilities	1,217	1,002
Interest payable on corporate bonds	4,615	8,667
Other interest expenses	13	-
Total	$36,215	$33,537

26. Components of other comprehensive income

The components of 2025 other comprehensive income are as follows:

	Occurred during the period	Reclassified or adjusted during the period	Subtotal	Income tax benefit (expense)	After-tax amount
Items not reclassified subsequently to profit or loss:					
Remeasurement of defined benefit plans	$843	$-	$843	$-	$843
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(1,000)	-	(1,000)	-	(1,000)
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of the financial statements of foreign operations	(154,176)	-	(154,176)	19,110	(135,066)
Share of other comprehensive income of associate companies and joint ventures under the equity method	1,194	-	1,194	-	1,194
Total other comprehensive income for the period	$(153,139)	$-	$(153,139)	$19,110	$(134,029)

The components of other comprehensive income in 2024 are as follows:

	Occurred during the period	Reclassified or adjusted during the period	Subtotal	Income tax benefit (expense)	After-tax amount
Items not reclassified subsequently to profit or loss:					
Remeasurement of defined benefit plans	$1,148	$-	$1,148	$-	$1,148
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of the financial statements of foreign operations	363,238	-	363,238	(44,804)	318,434
Share of other comprehensive income of associate companies and joint ventures under the equity method	6,496	-	6,496	-	6,496
Total other comprehensive income for the period	$370,882	$-	$370,882	$(44,804)	$326,078

27. Income tax

(1) Major components of tax expense (benefit) were as follows:

Income tax recognized in profit or loss

	2025	2024
Current income tax expense (benefit)		
Current income tax payable	$55,469	$64,436
Adjustments to the current income taxes of prior periods made in the period	(8,885)	(2,098)
Deferred income tax expense (benefit):		
Deferred income tax expense related to the original generation and reversal of temporary differences	10,412	6,063
Write-down of deferred income tax	2,259	(855)
Income tax expense	$59,255	$67,546

Income tax recognized in other comprehensive income

	2025	2024
Deferred income tax expense (benefit):		
Exchange differences on translation of the financial statements of foreign operations	$(19,110)	$44,804

(2) Reconciliation of income tax expense to accounting profit multiplied by the applicable income tax rate is as follows:

	2025	2024
Net profit before tax from continuing operations	$260,261	$305,097
Tax based on domestic tax rates applicable to income from related countries	$80,141	$87,989
Income tax levied on undistributed earnings	7,074	-
Income tax effect of non-deductible expenses on tax returns	(3,006)	(5,137)
Income tax effect of deferred income tax assets/liabilities	2,811	868
Adjustments to the current income taxes of prior periods made in the period	(8,885)	(2,098)
Other income tax effects as adjusted in accordance with tax laws	(18,880)	(14,076)
Total income tax expense recognized in profit or loss	$59,255	$67,546

(3) Balance of deferred income tax assets (liabilities) related to the following items:

2025

	Balance at the beginning of the period	Recognized in profit or loss	Recognized in other comprehensive income	Generated from consolidation	Balance at the end of the period
Temporary differences					
Loss on decline in value of inventories and slow-moving inventories.	$7,017	$(315)	$-	$2,571	$9,273
Investment income	(451,464)	376	-	-	(451,088)
Exchange losses (gains)	-	34	-	-	34
Exchange losses (gains)	457	(1,367)	-	-	(910)
Expected credit impairment losses	1,337	61	-	1,900	3,298
Net defined benefit liabilities	6,899	-	-	-	6,899
Right-of-use assets and tax differences	7	139	-	440	586
Book-tax difference of property, plant and equipment	8,029	1,427	-	-	9,456
Book-tax difference of property, plant and equipment	(1,953)	(1,889)	-	-	(3,842)
Impairment losses of assets	800	781	-	-	1,581
Exchange differences on translation of the financial statements of foreign operations	(27,233)	-	19,110	-	(8,123)
Short-term employee benefits	452	-	-	-	452
Loss carryforwards	21,165	(9,659)			11,506
Fair value adjustments from a business combination	-	-	-	(8,439)	(8,439)
Deferred income tax (expense)/benefit:		$(10,412)	$19,110	$(3,528)	
Net deferred tax assets (liabilities)	$(434,487)				$(429,317)
The information shown in the balance sheet is as follows:					
Deferred tax income assets	$46,163				$43,085
Deferred income tax liabilities	$(480,650)				$(472,402)

2024

	Balance at the beginning of the period	Recognized in profit or loss	Recognized in other comprehensive income	Balance at the end of the period
Temporary differences				
Loss on decline in value of inventories and slow-moving inventories.	$6,140	$877	$-	$7,017
Investment income	(449,087)	(2,377)	-	(451,464)
Exchange losses (gains)	(1,280)	1,280	-	-
Exchange losses (gains)	-	457	-	457
Expected credit impairment losses	1,063	274	-	1,337
Net defined benefit liabilities	6,899	-	-	6,899
Right-of-use assets and tax differences	300	(293)	-	7
Book-tax difference of property, plant and equipment	8,796	(767)	-	8,029
Book-tax difference of property, plant and equipment	(181)	(1,772)	-	(1,953)
Impairment losses of assets	800	-	-	800
Exchange differences on translation of the financial statements of foreign operations	17,571	-	(44,804)	(27,233)
Short-term employee benefits	452	-	-	452
Loss carryforwards	24,907	(3,742)	-	21,165
Deferred income tax (expense)/benefit:		$(6,063)	$(44,804)	
Net deferred tax assets (liabilities)	$(383,620)			$(434,487)
The information shown in the balance sheet is as follows:				
Deferred tax income assets	$66,928			$46,163
Deferred income tax liabilities	$(450,548)			$(480,650)

(4) Unrecognized deferred income tax assets

As of December 31, 2025, and December 31, 2024, the Group's unrecognized deferred tax assets amounted to NTD 15,482 thousand and NTD 8,363 thousand, respectively.

(5) Information on the Group's consolidated unused income tax credits for loss carryforward was as follows:

A. Parent company

Year of occurrence	Unused balance 2025.12.31	Unused balance 2024.12.31	Final deductible year
2022	$-	$36,952	2032
2023 (Actual)	57,532	68,873	2033
Total	$57,532	$105,825	

B. Subsidiaries

Year of occurrence	Unused balance 114.12.31	Unused balance 2024.12.31	Final deductible year
2023	$5,173	$15,772	2033

(6) Assessment of Income tax returns

As of December 31, 2025, the Company's income tax returns had been assessed up to 2023.

28. Earnings per share

Basic earnings per share is calculated based on the net profit attributable to holders of common stock of the parent company for the year divided by the weighted-average number of common stock outstanding during the year.

Diluted earnings per share is calculated by dividing the net income attributable to holders of common stock of the parent company for the year, adjusted for the effect of dilution, by the weighted-average number of common stock outstanding for the year plus the weighted-average number of common stock to be issued upon conversion of all dilutive potential common stock into common stock.

(1) Basic earnings per share

	2025	2024
Net profit attributable to holders of common stock of the Company (Thousands of NTD)	$90,114	$122,606
Weighted average number of common shares for basic earnings per share (thousands of shares)	127,048	125,145
Basic earnings per share (NTD)	$0.71	$0.98

(2) Diluted earnings per share

	2025	2024
Net profit attributable to holders of common stock of the Company (Thousands of NTD)	$90,114	$122,606
Interest on convertible corporate bonds (NTD thousand)	3,692	6,933
Valuation adjustment of financial liabilities measured at fair value through profit or loss (NTD thousand)	(302)	(1,385)
Net income to common stockholders after adjustment for dilution (NTD thousand)	$93,504	$128,154
Weighted average number of common shares for basic earnings per share (thousands of shares)	127,048	125,145
Dilutive effect:		
Profit sharing remuneration for employees - Stock (thousands of Shares)	56	42
Convertible bonds (thousand shares)	7,425	9,892
Weighted-average number of common shares after adjustment for dilutive effect (thousands of shares)	134,529	135,079
Diluted earnings per share (NTD)	$0.70	$0.95

(3) There were no other transactions that materially changed the outstanding common shares or potential common shares at the end of the period after the reporting period and before the publication of the financial statements.

29. Business combinations

Acquisition of Dongguan Grow-Link Electronics Co.,Ltd.

To strengthen the Group's position in the new energy vehicle wiring harness sector, the Board of Directors resolved on October 23, 2025 to acquire 80% of the equity interest in Dongguan Grow-Link Electronics Co.,Ltd. from Shenzhen Kuntian Electronics Co., Ltd. for RMB 220 million through the Company's subsidiary, SINGATRON Electronics (China) Co. Ltd. The consideration was paid in installments in cash. On December 24, 2025, the Group completed the equity transfer, obtained control and paid 60% of the consideration, and included the acquiree in the preparation of the Group's Consolidated Financial Statements.

The Group elected to measure the non-controlling interests in Dongguan Grow-Link Electronics Co.,Ltd. at the proportionate share of the recognized amounts of the identifiable net assets.

Assets and liabilities of Dongguan Grow-Link Electronics Co.,Ltd. at the acquisition date as follows

	Fair value at acquisition date
Assets	
Cash and cash equivalents	$80,082
Notes receivable	24,759
Accounts receivable	403,030
Current income tax assets	3,938
Inventory	134,990
Prepayments	3,305
Property, plant and equipment	167,986
Right-of-use assets	19,477
Intangible assets	51,337
Deferred tax income assets	4,911
Refundable deposits	6,030
Subtotal	899,845
Liabilities	
Short-term loans	(134,148)
Accounts receivable (including related parties)	(192,129)
Other payables - related parties	(113,513)
Lease liabilities	(22,406)
Long-term loans (including due within one year)	(20,346)
Deferred income tax liabilities	(8,439)
Subtotal	(490,981)
Total net assets	$408,864

From the acquisition date (December 24, 2025) to December 31, 2025, Dongguan Grow-Link Electronics Co.,Ltd. generated operating revenue of NTD 0 and net income from continuing operations of NTD 0 for the Group. If the combination had occurred at the beginning of the year, revenue from continuing operations would have been NTD 1,097,922 thousand, and net income from continuing operations would have been NTD 106,918 thousand.

The goodwill amount of Dongguan Grow-Link Electronics Co.,Ltd. is as follows:

Acquisition consideration	$969,594
Add: Non-controlling Interests	81,773
Less: fair value of identifiable net assets	(408,864)
Goodwill	$642,503

Acquisition consideration

Cash	$590,252
Unpaid consideration (recorded under other payables - related parties)	98,375
Unpaid consideration (recorded under other non-current liabilities)	280,967
Total consideration	$969,594

Cash flow analysis of the acquisition:

Net cash acquired from subsidiaries	$80,082
Cash paid	(590,252)
Net cash outflow	$(510,170)

The amount of net assets recognized in the financial statements as of December 31, 2025 was based on a provisional fair value assessment, and the Group had obtained an independent valuation for the assets held and liabilities assumed by Dongguan Grow-Link Electronics Co.,Ltd.; however, the valuation results had not yet been obtained as of the date management approved the issuance of the financial statements for the period from January 1, 2025 to December 31, 2025.

Contingent consideration

The contingent consideration has been agreed upon and included in the equity transfer agreement signed with Shenzhen Guotian Electronics Co., Ltd. Under the following circumstances, the Group shall pay additional cash to Shenzhen Guotian Electronics Co., Ltd.:

(1) Performance commitment: Dongguan Grow-Link Electronics Co.,Ltd. shall achieve net profit of not less than RMB 24,000 thousand, RMB 26,000 thousand and RMB 29,000 thousand, respectively, in each year during the performance commitment period (2025, 2026 and 2027), and the cumulative total net profit achieved during the performance commitment period shall not be less than RMB 79,000 thousand. If the cumulative profit achievement rate is lower than the proportion of the consideration already paid, the agreement stipulates that the actual controller of Dongguan Grow-Link Electronics Co.,Ltd. prior to the equity transfer shall provide performance compensation.

(2) Impairment test compensation: If the ending impairment amount of Dongguan Grow-Link Electronics Co.,Ltd. is greater than the total amount of cash compensation already paid by the performance promisor, being the compensation obligor (the agreement stipulates that this shall be the actual controller of Dongguan Grow-Link Electronics Co.,Ltd. prior to the equity transfer), then the performance promisor, being the compensation obligor (the agreement stipulates that this shall be the actual controller of Dongguan Grow-Link Electronics Co.,Ltd. prior to the equity transfer), shall make separate additional compensation to Singatron Electronic (China) Co., Ltd. for the asset impairment compensation amount for which each is responsible, calculated based on the proportion of the consideration obtained by each in this transaction to the total consideration of this Dongguan Grow-Link Electronics Co.,Ltd. transaction.

(3) Excess performance incentive mechanism: After the end of the final accounting year of the performance commitment period, if the cumulative total net profit realized by Dongguan Grow-Link Electronics Co.,Ltd. is higher than the cumulative total committed net profit, Singatron Electronic (China) Co., Ltd. shall pay an excess performance bonus to the management team of Dongguan Grow-Link Electronics Co.,Ltd. or increase the "transfer consideration for the subject equity" in this transaction, which shall be paid by Singatron Electronic (China) Co., Ltd. to Shenzhen Guotian Electronics Co., Ltd. by way of final payment settlement.

The contingent consideration agreed for the Group's acquisition of Dongguan Grow-Link Electronics Co.,Ltd. is measured based on the cumulative net profit realized in the three years after the acquisition date. As of December 31, 2025, the amount of contingent consideration that may be paid in the future was NTD 0 thousand.

30. Subsidiaries with significant non-controlling interests

Financial information on subsidiaries with significant non-controlling interests is presented below:

Percentage of interests held by non-controlling interests.

Name of subsidiary	Country where the subsidiary is located and operates	2025.12.31	2024.12.31
SINGATRON Electronics (China) Co. Ltd. and subsidiaries	Mainland China	38.8014%	38.8014%

Cumulative balance of significant non-controlling interests:	2025.12.31	2024.12.31
SINGATRON Electronics (China) Co. Ltd. and subsidiaries	$2,799,490	$2,767,921

Interests allocated to significant non-controlling interests:	2025	2024
SINGATRON Electronics (China) Co. Ltd. and subsidiaries	$110,892	$114,945

Aggregate financial information on these subsidiaries is provided below and is based on amounts before inter-company (transaction) eliminations.

Aggregate information on the profit or loss of SINGATRON Electronics (China) Co., Ltd. and its subsidiaries for 2025 and 2024 is summarized as follows:

	2025	2024
Operating revenue	$3,883,384	$3,616,671
Net profit from continuing operations for the period	285,794	296,240
Total comprehensive income for the period	284,512	300,509

Aggregate information on the assets and liabilities of SINGATRON Electronics (China) Co., Ltd. and its subsidiaries as of December 31, 2025 and 2024 is summarized as follows:

	2025.12.31	2024.12.31
Current assets	$6,845,203	$6,709,183
Non-current assets	2,449,585	1,586,418
Current liabilities	1,838,756	1,119,640
Non-current liabilities	359,481	31,340

Aggregate information on the cash flows of SINGATRON Electronics (China) Co., Ltd. and its subsidiaries for 2025 and 2024 is summarized as follows:

	2025	2024
From operating activities	$361,386	$494,309
Investing activities	(2,702,503)	(352,985)
Financing activities	(309,343)	(316,696)
Net increase (decrease) in cash and cash equivalents	(2,651,308)	(171,602)

VII. Related-party transactions

1. The related parties with whom the Group had transactions during the financial reporting period were as follows:

Name and relationship of related party

Name of related party	Relationship with the Group
SINGATRON ENTERPRISE CO., LTD.－U.S.A (SEC－U.S.A)	Other related parties (the Chairperson of the Company is a relative within second degree of kinship of the Chairperson of the related party)
Sufengping Automation Equipment (Kunshan) Co., Ltd.	Associate company
Taisol Electronics Co., Ltd.	Associate company
Shenzhen Guotian Electronics Co., Ltd.	Other related party of the Group (Note)

Note: Dongguan Grow-Link Electronics Co.,Ltd. was incorporated into the consolidated entity on December 24, 2025, the date control was obtained, and has therefore been part of the Group since that date.

2. Significant transactions with related parties

(1) Sales

	2025	2024
Other related parties	$352,000	$383,027

The price of sales to related parties is the same as that of general customers, and the collection terms for related parties are 90 days after the monthly cut-off day, while the collection terms for general customers are 60 to 120 days after the monthly cut-off day.

(2) The commission to the other related party - SEC-U.S.A - is calculated on the gross profit from the sales of the Group's own products to customers referred by SEC-U.S.A. The commission expenses of NTD 1,239 thousand and NTD 2,027 thousand were recognized in 2025 and 2024, respectively, and were recorded as selling expenses - commission expenses.

(3) Accounts receivable - related parties

	2025.12.31	2024.12.31
Other related parties	$95,013	$76,804
Less: Allowance for losses	-	-
Net amount	$95,013	$76,804

(4) Accounts payable - related parties

	2025.12.31	2024.12.31
Other related parties	$2,902	$-

(5) Other payables－ related parties

	2025.12.31	2024.12.31
Other related parties	$102,692	$716
Associate company	15,805	-
Total	$118,497	$716

(6) The Group did not purchase property, plant and equipment from related parties in 2024. Details of purchases of property, plant and equipment from related parties in 2025 are as follows:

Related party	Item	Purchase price	Reference basis for price determination
2025			
Associate company	Purchase of machinery and equipment	$52,802	Negotiating price

As of December 31, 2025, NTD 15,647 thousand remained unpaid and was recorded under other payables.

(7) The Group considered an investment strategy to purchase the equity of Dongguan Grow-Link Electronics Co.,Ltd. from Shenzhen Guotian Electronics Co., Ltd. in 2025, for a total transaction amount of NTD 969,594 thousand. As of December 31, 2025, NTD 379,342 thousand remained unpaid, consisting of NTD 98,375 thousand classified as other payables – related parties and NTD 280,967 thousand as other non-current liabilities.

(8) In2025, the Group purchased samples from affiliated enterprises for NTD 72,000, which was recorded as operating expenses.

(9) Remuneration of key management personnel of the Group

	2025	2024
Short-term employee benefits	$51,539	$41,349
Post-employment benefits	1,146	199
Total	$52,685	$41,548

Please refer to the Annual Report for shareholders' meeting for more information on the total remuneration paid to the key management personnel listed above.

VIII. Pledged assets

The Group had the following assets pledged as collaterals:

Item	Carrying amount 2025.12.31	Carrying amount 2024.12.31	Content of secured debts
Property, plant and equipment - land	$117,248	$117,248	Borrowing collaterals
Property, plant and equipment - buildings	71,475	73,884	Borrowing collaterals
Investment accounted for using the equity method	543,290	620,807	Borrowing collaterals
Total	$732,013	$811,939	

IX. Significant contingent liabilities and unrecognized commitments

1. The Group entered into a technology and patent license contract with Company A on July 1, 2012, under which the Group shall bear a certain amount of the technology license fee and the royalties shall be calculated based on sales volume and the agreed royalties per unit for the use of the technology license after mass production. In 2025, the Group recognized NTD 15,468 thousand in patent expenses, which were recorded as selling expenses, of which NTD 3,755 thousand was unpaid and recorded as other payables.

2. The Company's Board of Directors passed resolutions on February 8, 2021, March 19, 2021, June 17, 2021, June 14, 2022, March 7, 2023, May 24, 2023, and August 23, 2024, respectively, to approve the relevant commitments in response to the proposed listing of its subsidiary, SINGATRON Electronics (China) Co., Ltd., on the Growth Enterprise Market of the Shenzhen Stock Exchange in China. The Company assesses that these commitments have no material adverse impact on the finance and business matters of the Group and have complied with the relevant requirements. The relevant commitments include, but are not limited to the following:

   With respect to SINGATRON Electronics (China) Co., Ltd. and its subsidiaries, the Company is willing to unconditionally bear or compensate for the related losses if the authority requires or determines that the Company is required to pay back the social insurance charges, housing provident fund or related loss of fines and loss of endowment of related tax benefits prior to the IPO and listing. In 2024, some of the employees of SINGATRON Electronics (China) Co. Ltd. and its subsidiaries requested the Company to make back-up payments for the social insurance and housing provident funds that had not been paid or not adequately paid in the past, amounting to NTD 7,373 thousand.

In addition, the Company has included the commitments made on February 8, 2021, and March 19, 2021, as reporting items at the shareholders meeting held on July 16, 2021; the commitments made on June 17, 2021, as reporting items at the shareholders meeting held on June 16, 2022; the commitments made on June 14, 2022, and March 7, 2023, as reporting items at the shareholders meeting held on June 13, 2023; the commitments made on May 24, 2023, as reporting items at the shareholders meeting held on June 7, 2024; and the commitments made on August 23, 2024, as reporting items at the shareholders meeting held on June 4, 2025. Related information can be found on the "Market Observation Post System" of the Taiwan Stock Exchange.

X. Losses Due to Major Disasters

No such matter.

XI. Significant Subsequent Events

The Group's Board of Directors approved a resolution on January 14, 2026, to purchase approximately 2,277 pings of land and buildings adjacent to the Company from Qi-Hua Co., Ltd. Upon completion, this will consolidate into a complete site of approximately 4,456 pings. The transaction price was NTD 580,000 thousand, and the appraised value of the property was NTD 619,016 thousand. As of March 12, 2026, the Group had paid NTD 116,000 thousand, but the transfer of ownership has not yet been registered.

XII. Others

Financial instruments

1. Categories of financial instruments

Financial assets

	2025.12.31	2024.12.31
Gain (loss) on valuation of financial assets/liabilities at fair value through profit or loss		
Assets:		
Mandatorily measured at fair value through profit or loss	$13,864	$8,944
Financial assets at fair value through other comprehensive income	15,410	6,410
Financial assets at amortized cost:		
Cash and cash equivalents (excluding cash on hand)	2,125,140	4,898,101
Financial assets at amortized cost	2,504,101	820,947
Payables (including related parties)	1,954,314	1,286,193
Other receivables	25,597	12,314
Refundable deposits	12,745	19,856
Total	$6,651,171	$7,052,765

Financial liabilities

	2025.12.31	2024.12.31
Gain (loss) on valuation of financial		

assets/liabilities at fair value through profit or loss		
Liabilities:		
Mandatorily measured at fair value through profit or loss	$-	$3,961
Financial liabilities at amortized cost:		
Short-term loans	879,148	530,000
Short-term notes payable	29,994	-
Payables (including related parties)	1,655,629	1,125,428
Lease liabilities	67,278	38,838
Long-term loans (including due within one year)	535,099	657,715
Corporate bonds payable (including those due within one year)	197,381	192,766
Deposits received	3,964	2,447
Total	$3,368,493	$2,551,155

2. Financial risk management objectives and policies

The Group's financial risk management objectives are mainly to manage market risk, credit risk and liquidity risk associated with operating activities. The Group identifies, measures and manages the aforementioned risks in accordance with the Group's policies and risk appetite.

The Group has established appropriate policies, procedures and internal controls for the aforementioned financial risk management in accordance with the relevant regulations. Significant financial activities are subject to review by the Board of Directors and the Audit Committee in accordance with relevant regulations and internal control systems. During the execution of financial management activities, the Group is required to comply with the relevant regulations on financial risk management.

3. Market risk

The Group's market risk is the risk of fluctuations in the fair value or cash flows of financial instruments due to changes in market prices. Market risk mainly includes exchange rate risk, interest rate risk and other price risk (e.g. equity instruments).

In practice, it is rare for a single risk variable to change in isolation, and changes in each risk variable are usually correlated. However, the following sensitivity analysis of each risk does not consider the interaction of related risk variables.

Exchange rate risk

The Group's exchange rate risk relates primarily to operating activities (when revenues or expenses are denominated in currencies different from the Group's functional currency) and net investments in foreign operations.
The Group's foreign currency receivables and payables are partly in the same currency, in which case, a significant position of the receivables and payables will have a natural hedge effect, while forward exchange contracts are used to manage the exchange rate risk for some foreign currency amounts. As the aforementioned natural hedge and the management of exchange rate risk by means of forward exchange contracts do not meet the requirements of hedge accounting and therefore hedge accounting is not applied; in addition, the net investment in foreign operations is a strategic investment and therefore, the Group does not hedge for it.

The sensitivity analysis of the Group's exposure to exchange rate risk focuses on the impact on the Group's profit or loss and equity of the appreciation/depreciation of the relevant foreign currencies for major foreign currency monetary items at the end of the financial reporting period. The Group's exposure to exchange rate risk is mainly affected by fluctuations in the USD exchange rate and the information on the sensitivity analysis is as follows:

When RMB had strengthened/weakened 1% against USD, the Group's profit or loss would have decreased/increased by RMB 3,367 thousand and RMB 2,898 thousand for 2025 and 2024, respectively.

When the NTD appreciates/depreciates 1% against the USD, it reduced/increased the Group's profit or loss by NTD 13,179 thousand and NTD 11,351 thousand for the years ended 2025 and 2024, respectively.

Interest rate risk

Interest rate risk is the risk of fluctuations in the fair value of financial instruments or future cash flows due to changes in market interest rates. The Group's interest rate risk mainly arises from investments in floating rate debt instruments, fixed rate borrowings and floating rate borrowings.

The sensitivity analysis of interest rate risk focuses primarily on the interest rate exposure items as of the end of the financial reporting period, including floating-rate investments and floating-rate borrowings, and assuming they are held for one fiscal year, if interest rates increase/decrease by 0.1%, the Group's profit or loss for 2025 and 2024 would increase/decrease by NTD 1,082 thousand and decrease/increase by NTD 193 thousand, respectively.

Equity price risk

The fair value of unlisted equity securities held by the Group could be affected by the uncertainty of the future value of the investment subjects. The unlisted equity securities held by the Group are included in the category at fair value through other comprehensive income. The Group manages the price risk of equity securities by diversifying its investments and setting limits on investments in equity securities, both individually and in the aggregate. Information on equity securities portfolio is provided to the Group's senior management on a regular basis, and the Board of Directors reviews and approves all investment decisions on equity securities.

For the fair value hierarchy of other equity instruments in Level 3, please refer to Note 12.9 for information on sensitivity analysis.

4. Credit risk management

Credit risk refers to the risk that the counterparties will not be able to fulfill their obligations under contracts, resulting in financial losses. The Group's credit risk is attributable to operating activities (mainly accounts and notes receivable) and financing activities (mainly bank deposits and various financial instruments).

Each of the Group's units manages credit risk in accordance with its policies, procedures and controls over credit risk. All the credit risks of counterparties are evaluated by taking into account the financial positions of the counterparties, their ratings by credit rating agencies, historical transaction experience, the current economic environment and the Group's internal ratings, etc. The Group also uses certain credit enhancement tools (such as advance receipts and insurance) at appropriate times to reduce the credit risks of specific counterparties.

As of December 31, 2025 and 2024, the Group's accounts receivable from the top ten clients accounted for 42.52% and 57.14% of the balances of the Group's accounts receivable, respectively. The credit concentration risk for the remaining receivables is relatively insignificant.

The Group's finance department manages the credit risk of bank deposits and other financial instruments in accordance with the Group's policies. The Group's counterparties are creditworthy banks and investment-grade financial institutions, corporate organizations and governmental authorities as determined by the Group's internal control procedures, so there is no significant credit risk.

The Group uses IFRS 9 to assess expected credit losses. Other than receivables, investments in debt instruments not measured at fair value through profit or loss are initially acquired on the premise that the credit risk is low. At each balance sheet date, an assessment is made of whether the credit risk has increased significantly since the initial recognition to determine the method of measuring the allowance for losses and its loss rate. As of December 31, 2025 and 2024, the Group did not hold any investments in debt instruments not measured at fair value through profit or loss.

In addition, the Group writes off financial assets when it is assessed that recovery is not reasonably expected, such as when the issuer or the debtor is in significant financial difficulty or has become insolvent.

5. Liquidity risk management

The Group maintains financial flexibility through cash and cash equivalents and contracts such as bank borrowings. The following table summarizes the maturity profile of payments under contracts for the Group's financial liabilities, based on the earliest possible date on which repayment may be required and the undiscounted cash flows thereof, including agreed interest. The undiscounted amount of interest cash flows payable at floating interest rates is derived from the curve yield at the end of the reporting period.

Non-derivative financial liabilities

	Less than 1 year	1 to 5 years	Total
2025.12.31			
Loans	$1,128,136	$342,124	$1,470,260
Payables	1,655,629	-	1,655,629
Lease liabilities	27,396	43,189	70,585
Convertible corporate bonds	199,000	-	199,000
2024.12.31			
Loans	$733,819	$484,972	$1,218,791
Payables	1,125,428	-	1,125,428
Lease liabilities	20,389	20,333	40,722
Convertible corporate bonds	199,000	-	199,000

Derivative financial assets (liabilities)

	Less than 1 month	1 to 3 months	3 months to 1 year	More than 1 year	Total
2025.12.31					
Inflows	$174,117	$392,472	$140,348	$-	$706,937
Outflows	(171,722)	(389,685)	(139,895)	-	(701,302)
Net amount	$2,395	$2,787	$453	$-	$5,635
2024.12.31					
Inflows	$83,978	$38,529	$-	$-	$122,507
Outflows	(86,413)	(39,737)	-	-	(126,150)
Net amount	$(2,435)	$(1,208)	$-	$-	$(3,643)

The above disclosures regarding derivative financial assets (liabilities) are presented using undiscounted net cash flows.

6. Reconciliation of liabilities from financing activities

Information on reconciliation of liabilities for the year ended December 31, 2025:

Long- and short-term borrowings (including	Deposits received	Lease liabilities	Corporate bonds payable	Total liabilities from financing activities

short-term notes)					
2025.01.01	$1,187,715	$2,447	$38,838	$192,766	$1,421,766
Cash flows	102,038	1,517	(20,413)	-	83,142
Non-cash flows	(6)	-	26,447	4,615	31,056
Acquired through business combinations	154,494	-	22,406	-	176,900
2025.12.31	$1,444,241	$3,964	$67,278	$197,381	$1,712,864

Information on reconciliation of liabilities for 2024:

	Long/short-term loans	Deposits received	Lease liabilities	Corporate bonds payable	Total liabilities from financing activities
2024.01.01	$919,690	$2,326	$27,822	$466,688	$1,416,526
Cash flows	268,025	121	(16,639)	-	251,507
Non-cash flows	-	-	27,655	(273,922)	(246,267)
2024.12.31	$1,187,715	$2,447	$38,838	$192,766	$1,421,766

7. Fair value of financial instruments

(1) Valuation techniques and assumptions used to measure fair value

Fair value is the price that would be paid to sell an asset or to transfer a liability in an orderly transaction between market participants at the measurement date. The methods and assumptions used by the Group to measure or disclose the fair value of financial assets and financial liabilities are as follows:

A. The carrying amounts of cash and cash equivalents, receivables, payables and other current liabilities are reasonable approximations of fair values, primarily due to the short maturities of such instruments.

B. The fair values of financial assets and liabilities traded in active markets with standard terms and conditions are determined by reference to quoted market prices (e.g., listed stocks, beneficiary certificates, bonds and futures).

C. The fair value of equity instruments that are not traded in an active market (e.g., listed private stocks, publicly traded stocks without an active market, and unlisted stocks) is estimated using the market approach by using prices derived from market transactions of equity instruments of the same or comparable companies and other relevant information (e.g., lack of liquidity discount factor, price to earnings ratio of similar companies' stocks, price to equity ratio of similar companies' stocks, etc.).

D. Debt instrument investments without quoted prices in an active market, bank borrowings, bonds payable, and other non-current liabilities, the fair values are determined based on counterparties' quotations or valuation techniques. The valuation techniques are determined based on discounted cash flow analysis, and assumptions such as interest rates and discount rates are mainly made with reference to information related to similar instruments (such as reference yield curves published by the Taipei Exchange, average quotations of Reuters commercial paper rates, and credit risk information).

E. The fair value of derivative financial instruments without active market quotations, including non-optional derivative financial instruments, is calculated by discounted cash flow analysis using counterparty quotations or the applicable yield rate curve for the duration of existence.

(2) Fair value of financial instruments at amortized cost

Among the Group's financial instruments measured at amortized cost, except for the carrying amount of cash and cash equivalents, receivables, payables and other current liabilities that are reasonable and approximate to fair value, the fair value of the rest of the financial instruments measured at amortized cost is stated as follows:

	Carrying amount	
	2025.12.31	2024.12.31
Financial liabilities:		
Corporate bonds payable	$197,381	$192,766

	Fair value	
	2025.12.31	2024.12.31
Financial liabilities:		
Corporate bonds payable	$195,776	$191,120

(3) Information related to the fair value hierarchy of financial instruments

Please refer to Note 12.9 for information on the fair value hierarchy of the Group's financial instruments.

8. Derivative instruments

Information on the Group's derivative financial instruments that did not meet hedge accounting and were outstanding as of December 31, 2025 and 2024 is as follows:

Forward foreign exchange contracts

Forward foreign exchange contracts are used to manage the risk exposure of certain transactions, but are not designated as hedging instruments. The forward exchange contracts were as follows (in thousands of foreign currencies):

Item	Contract amount	Period
2025.12.31		
Forward foreign exchange contracts	Sell USD22,500	2025.11.04 - 2026.04.21
2024.12.31		
Forward foreign exchange contracts	Sell USD3,800	2024.10.23 - 2025.03.28

The counterparties to the aforementioned derivative financial instrument transactions are reputable domestic and foreign banks with good credit standing; therefore, the credit risk is not high.

Forward foreign exchange contract transactions are primarily intended to hedge the risk of exchange rate fluctuations in net assets or net liabilities. There are corresponding cash inflows or outflows at maturity, and the Company's working capital is also sufficient to support them; therefore, there is no significant cash flow risk.

Embedded financial derivatives

The embedded derivative financial instrument identified by the Group due to the issuance of convertible corporate bonds has been separated from the main contract and disposed at fair value through profit and loss. For the contract information of this transaction, please refer to Note 6.

9. Fair value hierarchy

(1) Definition of fair value hierarchy

All assets and liabilities measured or disclosed at fair value are categorized into their respective fair value hierarchy based on the lowest level of input value that is significant to the overall fair value measurement. The input vales for each level are as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: refers to the direct or indirect observable input value of asset or liability further to the quotation of Level 1.

Level 3: the unobservable input value of asset or liability.

Assets and liabilities recognized in the financial statements on a recurring basis are reassessed at the end of each reporting period to determine whether transfers between levels of the fair value hierarchy have occurred.

(2) Information on the hierarchy of fair value measurements

The Group has no non-recurring assets measured at fair value. The fair value hierarchy information for recurring assets and liabilities is presented below:

December 31, 2025:

	Level 1	Level 2	Level 3	Total
Assets at fair value:				
Investments in equity instruments at fair value through other comprehensive income	$-	$-	$15,410	$15,410
Financial assets at fair value through profit or loss				
Exchange-Traded Funds (ETFs)	$8,169	$-	$-	$8,169
Embedded derivatives	-	-	60	60
Forward foreign exchange contracts	-	5,635	-	5,635
Total	$8,169	$5,635	$60	$13,864

December 31, 2024:

	Level 1	Level 2	Level 3	Total
Assets at fair value:				
Investments in equity instruments at fair value through other comprehensive income	$-	$-	$6,410	$6,410
Financial assets at fair value through profit or loss Exchange-Traded Funds (ETFs)	$8,944	$-	$-	$8,944
Liabilities at fair value:				
Financial liabilities at fair value through profit or loss				
Embedded derivatives	$-	$-	$318	$318
Forward foreign exchange contracts	-	3,643	-	3,643
Total	$-	$3,643	$318	$3,961

Transfer between Level 1 and Level 2 of fair value hierarchy

There were no transfers between Level 1 and Level 2 of fair value hierarchy for the Group's assets and liabilities at fair value on a recurring basis in 2025 and 2024.

Details of changes in Level 3 of the recurring fair value hierarchy

For the Group's liabilities measured at repetitive fair value, the adjustment from the beginning to the closing balance is as follows:

	Assets/(liabilities)	
	Financial assets at fair value through other comprehensive income	Derivatives at fair value through profit or loss
2025.01.01	$6,410	$(318)
Additions of the period	10,000	-
Total profit and loss recognized in the current period		
Recognized as gains and losses (under "Other gains and losses")	-	378
Recognized in other comprehensive income (presented under "Unrealized valuation gains (losses) on investments in equity instruments measured at fair value through other comprehensive income")	(1,000)	-
2025.12.31	$15,410	$60

	Assets/(liabilities)	
	Financial assets at fair value through other comprehensive income	Derivatives at fair value through profit or loss
2024.01.01	$6,410	$(2,050)

Total profit and loss recognized in the current period		
Recognized as gains and losses (under "Other gains and losses")	-	1,732
2024.12.31	$6,410	$(318)

Of the total gains (losses) recognized in profit or loss mentioned above, the amounts of gains or losses related to assets/liabilities held as of December 31, 2025 and 2024 were NTD 378 thousand and NTD 1,732 thousand, respectively.

Information on significant unobservable input values in Level 3 of fair value hierarchy

Except for the unquantified unobservable inputs for structured time deposits, whose fair prices were the previous trading prices, the significant unobservable input values used for fair value measurement for assets in Level 3 of fair value hierarchy that are measured at fair value on a recurring basis are presented in the following table:

December 31, 2025:

	Valuation techniques	Significant unobservable input values	Quantitative information	Relationship between input values and fair values	Sensitivity analysis of the relationship between input values and fair value relationship
Financial assets:					
Financial assets at fair value through other comprehensive income					
Stock	Market method	Lack of liquidity discount	20%	The higher the degree of illiquidity, the lower the fair value estimate	When the percentage of lack of marketability increased (decreased) by 10%, the Group's equity would have decreased/increased by NTD 1,541 thousand
Financial liabilities at fair value through profit or loss					
Embedded financial derivatives	Binary tree convertible pricing model	Volatility rate	36.80%	The higher the volatility, the higher the fair value estimate	When volatility increases (decreases) by 2%, the Group's profit or loss will increase/decrease by NTD 10, respectively.

December 31, 2024:

	Valuation techniques	Significant unobservable input values	Quantitative information	Relationship between input values and fair values	Sensitivity analysis of the relationship between input values and fair value relationship
Financial assets:					
Financial assets at fair value					

through other comprehensive income					
Stock	Market method	Lack of liquidity discount	20%	The higher the degree of illiquidity, the lower the fair value estimate	When the percentage of illiquidity increases (decreases) by 10%, the Group's profit or loss would decrease/increase by $641 thousand
Financial liabilities:					
Financial liabilities at fair value through profit or loss					
Embedded financial derivatives	Binary tree convertible pricing model	Volatility rate	47.72%	The higher the volatility, the higher the fair value estimate	When volatility increases (decreases) by 1%, the impact on the Group's profit or loss would be an increase of NTD 80 thousand and a decrease of NTD 20 thousand, respectively.

Valuation process for Level 3 fair value measurement

The Group's finance department is responsible for carrying out fair value tests to ensure that the valuation results approximate market conditions, that the sources of information are independent, reliable, consistent with other sources and representative of executable prices, and that changes in the value of assets and liabilities that are subject to remeasurement or reassessment in accordance with the Group's accounting policies are analyzed at each reporting date to ensure that the valuation results are reasonable.

(3) Information on the fair value hierarchy for items that are not measured at fair value but require such disclosure

December 31, 2025:

	Level 1	Level 2	Level 3	Total
Assets with disclosure of fair value only:				
Investment property (see Note 6.10)	$-	$-	$126,346	$126,346
Liabilities with disclosure of fair value only:				
Corporate bonds payable (Note 6.17)	$-	$-	$195,776	$195,776

December 31, 2024:

	Level 1	Level 2	Level 3	Total
Assets with disclosure of fair value only:				
Investment property (see Note 6.10)	$-	$-	$135,886	$135,886
Liabilities with disclosure of fair value only:				
Corporate bonds payable (Note 6.17)	$-	$-	$191,120	$191,120

10. Information on foreign-currency financial assets and liabilities

Information on the Group's foreign-currency financial assets and liabilities is as follows:

In thousands of foreign currency

	2025.12.31			2024.12.31		
	Foreign Currency	Exchange rate	NTD	Foreign Currency	Exchange rate	NTD
Financial assets						
Monetary items:						
USD	$54,969	31.43	$1,727,676	$44,806	32.785	$1,468,964
RMB	$1,071,210	4.4716	$4,790,023	$1,203,330	4.5608	$5,488,126
Financial liabilities						
Monetary items:						
USD	$12,122	31.43	$380,994	$9,231	32.785	$302,638
RMB	$293,606	4.4716	$1,312,891	$171,431	4.5608	$781,865

The above information is based on the carrying amount in foreign currency (converted to functional currency).

Due to the wide variety of currencies consolidated by the Group, it is not possible to disclose information on exchange gains and losses on monetary financial assets and financial liabilities by each foreign currency with significant impact. The Group's foreign currency exchange gains (losses) amounted to NTD (15,557) thousand and NTD 19,828 thousand in 2025 and 2024, respectively.

11. Capital management

The primary objective of the Group's capital management is to ensure the maintenance of sound credit ratings and good capital ratios to support corporate operations and maximize shareholders' equity. The Group manages and adjusts its capital structure according to economic conditions, which may be achieved by adjusting dividend payments, returning capital or issuing new shares for the purpose of maintaining and adjusting the capital structure.

XIII. Other disclosures

(I) Information on Significant Transactions:

1. Loans to others: None.

2. Endorsement/Guarantee provided to others: Please refer to Table 1.

3. Marketable securities held at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to Table 2.

4. Where the amount of purchases or sales with related parties reaches NTD 100,000 thousand or 20% or more of the paid-in capital:

5. Receivables from related parties amounting to NTD 100,000 thousand or 20% or more of the paid-in capital: None.

6. Business relationships and significant intercompany transactions between the parent company and subsidiaries: Please refer to Table 7.

(II) Information on Investees:

1. Information on the investee over which the Company has significant influence or control should be disclosed (excluding the investees in Mainland China): Please refer to Exhibit 3 for details.

2. If the Company has control over an investee, it should disclose the information in Note 13(1) on the investee.

2.1 Loans to others: See Table 4.

2.2 Endorsement/Guarantee provided to others: Please refer to Table 1.

2.3. Securities held at the end of the period (excluding investments in the equity of subsidiaries, associates, and joint ventures): None.

2.4 Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to Table 5 for details.

2.5 Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to Table 6 for details.

(III) Information on Investment in Mainland China:

1. Information on investees in Mainland China, showing the name, principal business activities, paid-in capital, investment method, inward and outward remittance of funds, shareholding percentage, 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.

Unit: Thousands of NTD

Name of investee in Mainland China	Main businesses	Paid-in capital	Investment method	Accumulated investment amount remitted from Taiwan at the beginning of the period	Amount of investment remitted or recovered during the period		Accumulated investment amount remitted from Taiwan at the end of the period	Net profit or loss of the Investee for the period	Shareholding percentage of direct or indirect investment by the Company	Investment income or loss recognized for the period	Carrying amount of investment at the end of the period	Investment income repatriated as of the end of the period
					Outward remittance	Repatriation						
Chung Shan Lung Tais Hing Electroplating Co., Ltd.	Manufacturing and sale of hardware parts and surface plating products	$- (Note 9)	Note 1	$95,805 (Note 2 and Not 9)	$-	$-	$95,805 (Note 2 and Note 9)	$- (Note 9)	100%	$- (Note 9)	$- (Note 9)	$-
Singatron Electronic (Zhongshan) Co., Ltd.	Manufacturing and sale of connectors	$94,290 (Note 2)	Note 1	$78,575 (Note 2 and Not 5)	$-	$-	$78,575 (Note 2 and Note 5)	$37,562 (Note 2 and Note 3)	61.1986% (Note 10 and Note 1)	$22,987 (Note 2, Note 3 and Note 16)	$239,878 (Note 2 and Note 16)	$30,823
Singatron Electronic (China) Co., Ltd.	Manufacturing and sale of connectors	$668,444 (Note 2)	Note 1	$246,726 (Note 2 and Not 4)	$-	$-	$246,726 (Note 2 and Note 4)	$166,582 (Note 2 and Note 3)	61.1986% (Note 11)	$101,946 (Note 2, Note 3 and Note 16)	$3,996,650 (Note 2 and Note 16)	$1,193,30
Suzhou Singatron Connector Co., Ltd.	Manufacturing and sale of connectors	$84,961 (Note 2)	Note 6	$-	$-	$-	$-	$17,443 (Note 2 and Note 3)	61.1986% (Note 11)	$10,675 (Note 2, Note 3 and Note 16)	$79,412 (Note 2 and Note 16)	$-
Chung Shan Singatron Connector Co., Ltd.	Manufacturing and sale of connectors	$26,830 (Note 2)	Note 7	$-	$-	$-	$-	$4,831 (Note 2 and Note 3)	61.1986% (Note 10 and Note 11)	$2,956 (Note 2, Note 3 and Note 16)	$14,141 (Note 2 and Note 16)	$-

Name of investee in Mainland China	Main businesses	Paid-in capital	Investment method	Accumulated investment amount remitted from Taiwan at the beginning of the period	Amount of investment remitted or recovered during the period		Accumulated investment amount remitted from Taiwan at the end of the period	Net profit or loss of the Investee for the period	Shareholding percentage of direct or indirect investment by the Company	Investment income or loss recognized for the period	Carrying amount of investment at the end of the period	Investment income repatriated as of the end of the period
					Outward remittance	Repatriation						
Suzhou Singatron Auto Co., Ltd.	Manufacturing and sale of connectors	$40,244 (Note 2)	Note 8	$-	$-	$-	$-	$59,376 (Note 2 and Note 3)	61.1986% (Note 11)	$36,338 (Note 2, Note 3 and Note 16)	$205,689 (Note 2 and Note 16)	$-
Dongguan Grow-Link Electronics Co.,Ltd.	Manufacturing and sales of connectors and wire harnesses	$281,711 (Note 2)	Note 12	$-	$-	$-	$-	$130,892 (Note 2 and Note 3)	80% (Note 14)	$- (Note 2, Note 3 and Note 16)	$593,378 (Note 2 and Note 16)	$-
Sufengping Automation Equipment (Kunshan) Co., Ltd.	Manufacturing and selling automated equipment	$8,943 (Note 2)	Note 13	$-	$-	$-	$-	$9,665 (Note 2)	15% (Note 15)	$(581) (Note 2)	$38,302 (Note 2)	$-

Accumulated investment amount remitted from Taiwan to Mainland China at the end of the period	Investment amount approved by Investment Commission, MOEA	Investment limitation for Mainland China regulated by the Investment Commission, MOEA
$421,106	$421,106	$2,072,243

Note 1: As of December 31, 2025, the Company invested US$13,448 thousand in SINGATRON (B.V.I.) ENTERPRISE CO., LTD., a holding company in a third region. Through this holding company in a 3rd region, the Company invested in SINGATRON (HONG KONG) INTERNATIONAL HOLDING LIMITED and then indirectly invested in Singatron Electronic (China) Co., Ltd. and Singatron Electronic (Zhongshan) Co., Ltd. in Mainland China.

Note 2: Foreign currency amounts were translated into NTD based on the exchange rate at the balance sheet date.

Note 3: The investment income or loss recognized in the financial statements of the same period audited by CPAs.

Note 4: The difference between the accumulated investment amount remitted from Taiwan and the paid-in capital amount is mainly due to the 43,000 thousand A-shares issued by and capital increase from earnings of SINGATRON Electronics (China) Co., Ltd. and the capital increase by US$2,000 thousand in cash of SINGATRON (HONG KONG) INTERNATIONAL HOLDING LIMITED with its own funds.

Note 5: The difference between the accumulated investment amount remitted from Taiwan and the paid-in capital is mainly due to the fact that Singatron Electronic (Zhongshan) Co., Ltd. distributed its earnings to SINGATRON (B.V.I.) ENTERPRISE CO. (B.V.I.), LTD. and then SINGATRON (B.V.I.) ENTERPRISE CO., LTD. increased the capital of Singatron Electronic (Zhongshan) CO., LTD.

Note 6: Singatron Electronic (China) Co., Ltd. increased capital by RMB 19,000 thousand in cash with its own funds.

Note 7: Singatron Electronic (Zhongshan) Co., Ltd. increased capital by RMB 6,000 thousand in cash with its own funds.

Note 8: Singatron Electronic (China) Co., Ltd. increased capital by RMB 9,000 thousand in cash with its own funds.

Note 9: The Company's second-tier subsidiary, SINGATRON (HONG KONG) INTERNATIONAL HOLDING LIMITED, sold 100% of its indirect investment in Chung Shan Lung Tais Hing Electroplating Co., Ltd. in November 2014.

Note 10: The Company's second-tier subsidiary, SINGATRON (HONG KONG) INTERNATIONAL HOLDING LIMITED, adjusted its investment structure in September 2020 by transferring its indirect investment in 25% equity of Singatron Electronic (Zhongshan) Co., Ltd. in Mainland China to SINGATRON Electronics (China) Co., Ltd. so that SINGATRON Electronics (China) Co., Ltd. increased its shareholding in Singatron Electronic (Zhongshan) Co., Ltd. from the original 75% to 100%.

Note 11: SINGATRON Electronics (China) Co. Ltd., the sub-subsidiary of the Company, was officially listed on the Shenzhen Stock Exchange on July 17, 2023 with the issuance of 43,000 thousand common shares (A-shares) in RMB through cash capital increase. The Company's sub-subsidiary SINGATRON (HONG KONG) INTERNATIONAL HOLDING LIMITED is the controlling shareholder of SINGATRON Electronics (China) Co. Ltd. Pursuant to Article 26 of the "Regulations Governing the Issuance and Underwriting of Securities" of the China Securities Regulatory Commission: the controlling shareholder is not allowed to participate in the placement of securities by public companies, resulting in a decrease in the shareholding of SINGATRON Electronics (China) Co. Ltd. from 81.8868% to 61.1986%.

Note 12: SINGATRON Electronics (China) Co., Ltd. increased investment by RMB 220,000 thousand in cash with its own funds.

Note 13: SINGATRON Electronics (China) Co., Ltd. increased investment by RMB 8,700 thousand in cash with its own funds.

Note 14: In 2025, Singatron Electronic (China) Co., Ltd., a third-tier subsidiary of the Company, acquired 80% of Dongguan Grow-Link Electronics Co.,Ltd. with its own cash.

Note 15: In 2025, Singatron Electronic (China) Co., Ltd., a third-tier subsidiary of the Company, acquired 15% of Sufengping Automation Equipment (Kunshan) Co., Ltd. with its own cash.

Note 16: Eliminated in the consolidated financial statements.

2. Significant transactions with investees in Mainland China:

Please refer to Table 7 for details of significant transactions, direct or indirect, between the consolidated company and its investees in Mainland China, which have been eliminated in the consolidated financial statements.

XIV. Segment Information

For management purposes, the Group segregates operating units based on different products and services, with the following three reportable operating segments:

1. Connector Operating Segment: This segment is responsible for the production and manufacturing of connectors for sale to electronic product manufacturers.

2. Automotive Wiring Harness Division: This segment primarily focuses on the research and development, manufacturing, and sales of automotive wiring harnesses and related connectors. These products are used in automotive electronic systems and related equipment and are sold to automotive electronics manufacturers.

3. Electronic Module Products Segment: This segment is responsible for the design and trading of electronic module products such as charging modules and sensing modules, which are sold to electronic product manufacturers or distributors.

Management individually monitors the operating results of their business units to make decisions on resource allocation and performance evaluation. Segment performance is evaluated on the basis of operating profit or loss before income tax and is measured in a manner consistent with operating profit or loss in the consolidated financial statements. However, income tax in the consolidated financial statements is managed on a group basis and is not allocated to the operating segments.

Inter-operating segment transfer pricing is based on arm's-length transactions with external third parties.

1. Information on profit or loss, assets and liabilities of reportable segments:

2025

	Connectors segment	Automotive Wiring Harness Division	Electronic module products segment	Subtotal by reportable segment	Other segments	Adjustments and eliminations	Group total
Revenue							
Revenue from external customers	$3,836,937	$-	$62,760	$3,899,697	$-	$-	$3,899,697
Revenue from other segments	46,896	-	-	46,896	-	(46,896)	-
Interest income	70,638	-	209	70,847	-	(933)	69,914
Total revenue and income	$3,954,471	$-	$62,969	$4,017,440	$-	$(47,829)	$3,969,611
Segment profit or loss (before tax)	$307,775	$-	$(36,150)	$271,625	$(7,873)	$(3,491)	$260,261

2024

Connectors segment	Electronic module	Subtotal by reportable	Other segments	Adjustments and	Group total

		products segment	segment		eliminations	
Revenue						
Revenue from external customers	$3,564,675	$66,111	$3,630,786	$-	$-	$3,630,786
Revenue from other segments	51,996	-	51,996	-	(51,996)	-
Interest income	93,820	546	94,366	-	(866)	93,500
Total revenue and income	$3,710,491	$66,657	$3,777,148	$-	$(52,862)	$3,724,286
Segment profit or loss (before tax)	$355,067	$(47,773)	$307,294	$1,087	$(3,284)	$305,097

The following table presents information related to the assets and liabilities of the Group's operating segments as of December 31, 2025 and 2024:

Segment assets

	Connectors segment	Automotive Wiring Harness Division	Electronic module products segment	Subtotal by reportable segment	Other segments	Adjustments and eliminations	Group total
	$7,668,571	$1,542,348	$323,908	$9,534,827	$924,737	$(1,477)	$10,458,087
Segment assets as of 2024.12.31	$8,262,373	$-	$300,774	$8,563,147	$835,560	$(1,226)	$9,397,481

Segment liabilities

	Connectors segment	Automotive Wiring Harness Division	Electronic module products segment	Subtotal by reportable segment	Other segments	Adjustments and eliminations	Group total
	$1,715,172	$490,981	$861,426	$3,067,579	$1,184,537	$(47,258)	$4,204,858
Segment liabilities as of 2024.12.31	$1,168,289	$-	$618,803	$1,787,092	$1,331,131	$(52,935)	$3,065,288

2. Information by regions:

(1) Revenue from external customers:

	2025	2024
Mainland China	$2,164,638	$2,275,241
Taiwan	516,392	506,775
Others	1,218,667	848,770
Total	$3,899,697	$3,630,786

Revenue is categorized based on the country in which customers are located.

(2) Non-current assets:

	2025.12.31	2024.12.31
Mainland China	$1,688,763	$759,154
Taiwan	254,101	225,173
Other countries	245,684	70,763
Total	$2,188,548	$1,055,090

3. Information on important customers: Individual customers of the Group with sales revenue accounting for 10% or more of the Group's consolidated net operating revenue as follows:

	2025	2024
Customer A	$579,374	$522,609
Customer B	(Note)	383,027

Note: Net sales to this customer during the current year did not reach 10% or more of the Group's consolidated net operating revenue; therefore, disclosure is not required.

Exhibit 1

SINGATRON ENTERPRISE CO., LTD. and subsidiaries

Endorsement and guarantee for others

January 1 to December 31, 2025

Unit: Thousands of NTD

Number (Note 1)	Endorser/guarantor	Endorsee/guarantee		endorsement/ guarantee amount for a single enterprise	endorsement/ guarantee balance for the period	guarantee balance at the end of the period	Amount actually drawn	endorsement/ guarantee secured by properties	endorsementg/ guarantee to net worth of the latest financial statements	Maximum limit on endorsement/ guarantee	guarantee provided by parent company for subsidiary	guarantee provided by subsidiary for parent company	guarantee for subsidiaries in Mainland China
		Company name	Relationship (Note 2)										
0	Singatron Enterprise Co., Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	61.1986% owned third-tier subsidiary of the Company	$2,072,243 (Note 3)	$220,010	$220,010	$-	$-	6.37%	$3,453,739 (Note 3)	Y	N	Y
1	Singatron (Hong Kong) International Holding Ltd.	Singatron Enterprise Co., Ltd.	The ultimate parent company of the Group	$2,613,415 (Note 5)	$800,000	$650,000	$402,254 (Note 6)	$-	14.92%	$4,355,692 (Note 5)	N	Y	N
2	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	Singatron Electronic (Thailand) Co., Ltd.	61.1986% owned third-tier subsidiary of the Company	$4,208,867 (Note 4)	$152,922	$152,922	$-	$-	2.18%	$4,208,867 (Note 4)	Y	N	N

Note 1: No. column is filled out in a way as follows:

1. The issuer should be coded “0”.
2. Investees are numbered sequentially from Arabic numeral 1 by investee

Note 2: There are seven types of relationships between the endorser/guarantor and the endorsee/guarantee, and the types can be indicated as follows:

1. Entities with business dealings
2. Entities in which the Company directly or indirectly holds more than 50% of the voting shares.
3. Entities that directly or indirectly hold more than 50% of the voting shares of the Company.
4. Between the entities in which the Company directly or indirectly holds more than 90% of the voting shares.
5. Intra-industry or co-founded entities with mutual insurance in accordance with contractual provisions based on the need for contracted work.
6. Entities that are endorsed and guaranteed by all contributing shareholders in proportion to their shareholdings as a result of joint investment.
7. A company in the same industry that provides a joint and several performance guarantee for a real estate pre-sale contract in accordance with the Consumer Protection Act.

Note 3: In accordance with the Company's "Operating Procedures for Endorsement and Guarantee", the total amount of the Company's external endorsement and guarantee shall not exceed 100% of the current net worth. The amount of endorsement and guarantee for a single enterprise shall not exceed 30% of the current net worth. The amount of endorsement and guarantee for a single overseas affiliate shall not exceed 60% of the current net worth.

Note 4: The total amount of external endorsement and guarantee shall not exceed 60% of the latest audited net assets of the second-tier subsidiary in accordance with the "External Guarantee Management System" of the sub-subsidiaries. The amount of a single endorsement and guarantee shall not exceed 30% of the latest audited net assets.
The total amount of endorsement and guarantee between affiliates shall not exceed 60% of the latest audited net assets of the second-tier subsidiary.

Note 5 : According to the "Operating Procedures for Endorsement and Guarantee" of subsidiaries, the total amount of external endorsements/guarantees shall not exceed 100% of the net value for the current period. The amount of endorsement and guarantee for a single enterprise shall not exceed 30% of the current net worth. The amount of endorsement and guarantee for a single overseas affiliate shall not exceed 60% of the current net worth. The total amount of endorsements/guarantees by the Company and its subsidiaries shall not exceed 100% of the most recent net worth of the parent company.

Note 6: Foreign currency amounts were translated into NTD based on the exchange rate at the balance sheet date.

Exhibit 2

SINGATRON ENTERPRISE CO., LTD. and subsidiaries

Securities held at the end of the period (excluding investments in the equity of subsidiaries, associates, and joint ventures)

December 31, 2025

Unit: Thousands of NTD

The company holding the securities	Type and name Marketable securities	Relationship with the issuers	Financial statement account	Number of shares	Carrying amount	Shareholding percentage	Fair value	Remarks
	Financial assets at fair value through other comprehensive income							
	Stock:							
Singatron Enterprise Co., Ltd.	DEEPWATERS DIGITAL SUPPORT INC.	None	Financial assets at fair value through other comprehensive income	1,066,668	$16,381	3.94%	$10,471	
Singatron Enterprise Co., Ltd.	GT Booster Inc.	None	Financial assets at fair value through other comprehensive income	2,420,000	23,543	17.74%	-	
Singatron Enterprise Co., Ltd.	Quanjing Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income	261,053	10,000	1.96%	4,939	
	Subtotal				49,924		$15,410	
	Add: Unrealized financial assets profit or loss measured at fair value through other comprehensive income				(34,514)			
	Total				$15,410			
	Financial assets measured at fair value through profit or loss Assets - Current							
	Exchange-Traded Funds (ETFs):							
Singatron Enterprise Co., Ltd.	UPAMC Taiwan High Dividend Momentum ETF	None	Financial assets measured at fair value through profit or loss Assets - Current	288,000	$4,059	-	$4,234	
Singatron Enterprise Co., Ltd.	Yuanta Taiwan Value High Dividend ETF	None	Financial assets measured at fair value through profit or loss Assets - Current	425,000	3,955	-	3,935	
	Subtotal				8,014		$8,169	
	(Gain) loss on valuation of financial assets at fair value through profit or loss				155			
	Total				$8,169			

Exhibit 3

SINGATRON ENTERPRISE CO., LTD. and subsidiaries

Information on Investee Companies, Regions, etc. (excluding investee companies in Mainland China)

December 31, 2025

Unit: NTD / Thousands of foreign currency

Name of investor	Name of investee	Location	Main businesses	Initial investment amount: The end of the period	Initial investment amount: The end of the pervious period	Held at the end of the period: Number of shares	Held at the end of the period: %	Held at the end of the period: Carrying amount	Profit (loss) of the investee for the period	Investment income (loss) recognized during the	Remarks
Singatron Enterprise Co., Ltd.	SINGATRON INVESTMENT COMPANY LIMITED	Hong Kong	General investments	$8,550	$8,550	2,000,000	100.00%	$6,024 (Note 2)	$(165)	$(165) (Note 2)	Subsidiary
Singatron Enterprise Co., Ltd.	SINGATRON (B.V.I.) ENTERPRISE CO., LTD.	The British Virgin Islands	General investments	439,042	439,042	13,504,543	100.00%	4,313,746 (Note 2)	164,493	160,442 (Note 1 and Note 2)	Subsidiary
Singatron Enterprise Co., Ltd.	Taisol Electronics Co., Ltd.	Taiwan	Manufacturing, sales agency, and trading of thermal modules, other electronic components, and IoT application products	793,290	731,802	13,956,000	15.88%	819,439	156,399	24,329	Investment accounted for
SINGATRON (B.V.I.) ENTERPRISE CO., LTD.	SINGATRON (HONG KONG) INTERNATIONAL HOLDING LIMITED	Hong Kong	Investment	USD 13,400 NTD 421,162 (Note 3)	USD 13,400 NTD 421,162 (Note 3)	-	100.00%	4,355,692 (Note 2 and	163,787 (Note 3)	163,787 (Note 2 and	Second-tier
SINGATRON Electronics (China) Co. Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	Hong Kong	Trading of connectors and import and export related business	RMB 683 NTD 3,054 (Note 3)	RMB 683 NTD 3,054 (Note 3)	-	100.00%	201,966 (Note 2 and	29,963 (Note 3)	29,963 (Note 2 and	Third-tier
SINGATRON Electronics (China) Co. Ltd.	SINGATRON SAN JOSE CONNECTION CO., LTD.	U.S.A.	Marketing and sales and customer services	USD 30 NTD 943 (Note 3)	USD 30 NTD 943 (Note 3)	-	100.00%	2,075 (Note 2 and	154 (Note 3)	154 (Note 2 and	Third-tier
SINGATRON Electronics (China) Co. Ltd.	SINGATRON ELECTRONIC (THAILAND) CO., LTD.	Thailan	Manufacturing and sale of connectors	THB 214,000 NTD 214,406 (Note 3)	THB - NTD - (Note 3)	-	85.60%	192,936 (Note 2 and	(21,491) (Note 3)	0 (Note 2 and	Third-tier
SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	SINGATRON ELECTRONIC (THAILAND) CO., LTD.	Thailan	Manufacturing and sale of connectors	THB 36,000 NTD 36,068 (Note 3)	THB 36,000 NTD 36,068 (Note 3)	-	14.40%	32,457 (Note 2 and	(21,491) (Note 3)	(21,491) (Note 2 and	Third-tier

Note 1: Including recognition of investment income of NTD 164,493 thousand, realized gross profit of sales of NTD 492 thousand from upstream transactions, unrealized gross profit of NTD 599 thousand from upstream transactions, realized gross profit of NTD 17,729 thousand from sidestream transactions, and unrealized gross profit of NTD 21,673 thousand from sidestream transactions.

Note 2 : Eliminated when the consolidated financial statements were prepared.

Note 3: Foreign currency amounts were translated into NTD based on the exchange rate at the balance sheet date.

Exhibit 4

SINGATRON ENTERPRISE CO., LTD. and subsidiaries

Lending of funds to others

January 1 to December 31, 2025

Unit: Thousands of NTD

Code (Note 1)	The entity that lends funds	Funds recipient	Correspondent account	Maximum amount for the period	Balance at the end of the period	Amount actually drawn	Interest rate range	Nature of the funds lending	Business dealing amount	Reason for the necessity of short-term financial accommodation	Provision of allowance for	Collateral		Limit on the lending of funds to individual recipients	Total limit on the lending of funds
												Name	Value		
1	Singatron (Hong Kong) International Holding Ltd.	Singatron Enterprise Co., Ltd.	Other receivables	$62,860 (Note 6)	$62,860 (Note 6)	$31,430 (Note 6) (Note 7)	3%	With necessity of short-term financial accommodatio	$-	To meet the operating liquidity needs of the funds recipient	$-	-	$-	$871,138 (Note 2) (Note 5)	$1,742,277 (Note 3)
2	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	Singatron Electronic (Thailand) Co., Ltd.	Other receivables	$31,430 (Note 6)	$31,430 (Note 6)	$- (Note 6) (Note 7)	-%	With necessity of short-term financial accommodatio	$-	To address the borrower's factory construction requirements	$-	-	$-	$60,590 (Note 4) (Note 5)	$80,786 (Note 3)

Note 1: 1 is a second-tier subsidiary of the Company.

Note 2: In accordance with the Company's "Procedures for Lending Funds to Others," the total amount of funds lent shall not exceed 20% of the lending company's net worth.

Note 3: In accordance with the Company's "Procedures for Lending Funds to Others," the limit for lending funds to an individual party shall not exceed 40% of the lending company's ne

Note 4: In accordance with the second-tier subsidiary's "Management System for External Financial Assistance," the amount of funds lent shall not exceed 30% of the lending company's

Note 5: In accordance with the Company's operating procedures for lending of funds to others, there is no limit on the amount of funds that can be lent between foreign companies whose voting shares are directly or indirectly 100% owned by public companies that meet the provisions of Paragraph 4, Article 3.

Note 6: Foreign currency amounts were translated into NTD based on the exchange rate at the balance sheet date.

Note 7 : Eliminated when the consolidated financial statements were prepared.

Exhibit 5

SINGATRON ENTERPRISE CO., LTD. and subsidiaries

Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more

January 1 to December 31, 2025

Unit: Thousands of NTD

Company engaging in purchases (sales)	Name of trading party	Relationship	Transaction details				transaction terms are different from those of ordinary transactions		Notes and accounts receivable (payable)		Remarks
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit period	Unit price	Credit period	Balance	of total notes, accounts receivable (payable)	
Singatron Electronic (China) Co., Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	Third-tier subsidiary of the Company	Sales	$1,894,098 (Note 1)	80.55%	Net 90 days - 180 days	The prices are mainly for connectors and finished goods, based on the prices of the orders received, and no prices from other customers are available for comparison.	Monthly settlement 60 - 120 days for general customers	Accounts receivable $1,143,402 (Note 1)	86.02%	Note 2
Singatron Electronic (Zhongshan) Co., Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	Third-tier subsidiary of the Company	Sales	$114,943 (Note 1)	21.09%	Net 90 days - 180 days	The prices are mainly for connectors and finished goods, based on the prices of the orders received, and no prices from other customers are available for comparison.	Monthly settlement 60 - 120 days for general customers	Accounts receivable $69,898 (Note 1)	36.42%	Note 2
Suzhou Singatron Connector Co., Ltd.	SINGATRON Electronics (China) Co. Ltd.	Third-tier subsidiary of the Company	Processing revenue	$231,528 (Note 1)	96.29%	Net 90 days - 180 days	The only customer, with no other customers for comparison	No non-related parties available for comparison	Accounts receivable $57,219 (Note 1)	100.00%	Note 2
SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	SINGATRON ENTERPRISE CO., LTD. - U.S.A(SEC - U.S.A)	Other related party of the Group	Sales	$352,000 (Note 1)	12.35%	Net 90 days	The prices are mainly for connectors and finished goods, based on the prices of the orders received, and no prices from other customers are available for comparison.	Monthly settlement 60 - 120 days for general customers	Accounts receivable $95,013 (Note 1)	8.39%	

Note 1: Foreign currency amounts were translated into NTD based on the exchange rate at the balance sheet date.

Note 2: Eliminated in the consolidated financial statements.

Exhibit 6

SINGATRON ENTERPRISE CO., LTD. and subsidiaries

Amount receivable from related parties exceeding NTD 100 million or 20% of the paid-in capital: None.

December 31, 2025

Unit: Thousands of NTD

Entity that recorded the transaction as accounts receivable	Name of trading party	Relationship	Balance of receivables from related parties	rnover r	verdue receivables from related parti		Subsequent recoveries of receivables from related parties	Provision of allowance for losses
					Amount	Actions taken		
SINGATRON Electronics (China) Co. Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	Third-tier subsidiary of the Company	$1,143,402 (Note 1 and Note 2)	1.75	$-	-	$345,975	$-

Note 1: Eliminated in the consolidated financial statements.

Note 2: Foreign currency amounts were translated into NTD based on the exchange rate at the balance sheet date.

Exhibit 7

SINGATRON ENTERPRISE CO., LTD. and subsidiaries

The business relationship between the parent and the subsidiaries and significant transactions between them

Unit: Thousands of NTD

Code (Note 1)	Name of trader	Trading partner	Relationship with the transaction party (Note 2)	Circumstances of the transaction			
				Financial statement account	Amount	Trading term	Ratio to consolidated total revenue or total assets (Note 3
0	Singatron Enterprise Co., Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	1	Rental income	$4,424	Quarterly collection	0.11%
0	Singatron Enterprise Co., Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	1	Other receivables	286	-	-%
0	Singatron Enterprise Co., Ltd.	Singatron (Hong Kong) International Holding Limited	1	Other receivables	1,191	-	0.01%
1	Singatron (Hong Kong) International Holding Limited	Singatron Enterprise Co., Ltd.	2	Interest income	933	Quarterly collection	0.02%
1	Singatron (Hong Kong) International Holding Limited	Singatron Enterprise Co., Ltd.	2	Other receivables	31,668	-	0.30%
1	Singatron (Hong Kong) International Holding Limited	SINGATRON INVESTMENT COMPANY LIMITED	3	Other receivables	32	-	-%
2	SINGATRON INVESTMENT COMPANY LIMITI	Singatron (Hong Kong) International Holding Limited	3	Other receivables	94	-	-%
3	Singatron Electronic (Zhongshan) Co., Ltd.	Singatron Enterprise Co., Ltd.	2	Sales	6,914	Cash collection occurs 90–180 days after month-end.	0.18%
3	Singatron Electronic (Zhongshan) Co., Ltd.	Singatron Enterprise Co., Ltd.	2	Accounts receivable	1,821	Cash collection occurs 90–180 days after month-end.	0.02%
3	Singatron Electronic (Zhongshan) Co., Ltd.	SINGATRON Electronics (China) Co. Ltd.	2	Sales	18,704	Cash collection occurs 90–180 days after month-end.	0.48%
3	Singatron Electronic (Zhongshan) Co., Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	3	Sales	114,943	Cash collection occurs 90–180 days after month-end.	2.95%
3	Singatron Electronic (Zhongshan) Co., Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	3	Accounts receivable	69,898	Cash collection occurs 90–180 days after month-end.	0.67%
3	Singatron Electronic (Zhongshan) Co., Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	3	Other receivables	2,417	Cash collection occurs 90–180 days after month-end.	0.02%
3	Singatron Electronic (Zhongshan) Co., Ltd.	Chung Shan Singatron Connector Co., Ltd.	1	Sales	892	Cash collection occurs 90–180 days after month-end.	0.02%
3	Singatron Electronic (Zhongshan) Co., Ltd.	Chung Shan Singatron Connector Co., Ltd.	1	Rental income	3,631	Cash upon the cut-off day of the month	0.09%
3	Singatron Electronic (Zhongshan) Co., Ltd.	Suzhou Singatron Auto Co., Ltd.	3	Sales	10,348	Cash collection occurs 90–180 days after month-end.	0.27%
3	Singatron Electronic (Zhongshan) Co., Ltd.	Suzhou Singatron Auto Co., Ltd.	3	Accounts receivable	263	Monthly settlement with 90-180 days collection period	-%
3	Singatron Electronic (Zhongshan) Co., Ltd.	Suzhou Singatron Connector Co., Ltd.	3	Other receivables	104	Monthly settlement with 90-180 days collection period	-%
4	SINGATRON Electronics (China) Co. Ltd.	Singatron Enterprise Co., Ltd.	2	Sales	27,758	Cash collection occurs 90–180 days after month-end.	0.71%
4	SINGATRON Electronics (China) Co. Ltd.	Singatron Enterprise Co., Ltd.	2	Accounts receivable	10,125	Cash collection occurs 90–180 days after month-end.	0.10%
4	Singatron Electronic (China) Co., Ltd.	Singatron Electronic (Zhongshan) Co., Ltd.	1	Sales	96,445	Cash collection occurs 90–180 days after month-end.	2.47%
4	SINGATRON Electronics (China) Co. Ltd.	Singatron Electronic (Zhongshan) Co., Ltd.	1	Accounts receivable	14,027	Cash collection occurs 90–180 days after month-end.	0.13%
4	SINGATRON Electronics (China) Co. Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	1	Sales	1,894,098	Cash collection occurs 90–180 days after month-end.	48.57%
4	SINGATRON Electronics (China) Co. Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	1	Accounts receivable	1,143,402	Cash collection occurs 90–180 days after month-end.	10.94%
4	SINGATRON Electronics (China) Co. Ltd.	Suzhou Singatron Connector Co., Ltd.	1	Rental income	5,555	Quarterly collection	0.14%
4	SINGATRON Electronics (China) Co. Ltd.	Suzhou Singatron Auto Co., Ltd.	1	Sales	17,009	Cash collection occurs 90–180 days after month-end.	0.44%
4	SINGATRON Electronics (China) Co. Ltd.	Suzhou Singatron Auto Co., Ltd.	1	Accounts receivable	3,100	Cash collection occurs 90–180 days after month-end.	0.03%
4	SINGATRON Electronics (China) Co. Ltd.	Suzhou Singatron Auto Co., Ltd.	1	Rental income	5,555	Quarterly collection	0.14%
4	SINGATRON Electronics (China) Co. Ltd.	SINGATRON ELECTRONIC(THAILAND) CO., LTD.	1	Sales	6,536	Cash collection occurs 90–180 days after month-end.	0.17%
4	SINGATRON Electronics (China) Co. Ltd.	SINGATRON ELECTRONIC(THAILAND) CO., LTD.	1	Accounts receivable	6,669	Cash collection occurs 90–180 days after month-end.	0.06%
4	SINGATRON Electronics (China) Co. Ltd.	SINGATRON ELECTRONIC(THAILAND) CO., LTD.	1	Other receivables	21,662	Cash collection occurs 90–180 days after month-end.	0.21%
5	Suzhou Singatron Connector Co., Ltd.	SINGATRON Electronics (China) Co. Ltd.	2	Processing revenue	231,528	Cash collection occurs 90–180 days after month-end.	5.94%

5	Suzhou Singatron Connector Co., Ltd.	SINGATRON Electronics (China) Co. Ltd.	2	Accounts receivable	57,219	Cash collection occurs 90–180 days after month-end.	0.55%
6	Chung Shan Singatron Connector Co., Ltd.	Singatron Electronic (Zhongshan) Co., Ltd.	2	Processing revenue	56,052	Cash collection occurs 90–180 days after month-end.	1.44%
6	Chung Shan Singatron Connector Co., Ltd.	Singatron Electronic (Zhongshan) Co., Ltd.	2	Accounts receivable	6,401	Cash collection occurs 90–180 days after month-end.	0.06%
7	Suzhou Singatron Auto Co., Ltd.	Singatron Enterprise Co., Ltd.	2	Sales	12,224	Cash collection occurs 90–180 days after month-end.	0.31%
7	Suzhou Singatron Auto Co., Ltd.	Singatron Enterprise Co., Ltd.	2	Accounts receivable	3,644	Cash collection occurs 90–180 days after month-end.	0.03%
7	Suzhou Singatron Auto Co., Ltd.	SINGATRON Electronics (China) Co. Ltd.	2	Sales	8,672	Cash collection occurs 90–180 days after month-end.	0.22%
7	Suzhou Singatron Auto Co., Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	3	Sales	95,132	Cash collection occurs 90–180 days after month-end.	2.44%
7	Suzhou Singatron Auto Co., Ltd.	SINGATRON ELECTRONIC(THAILAND) CO., LTD.	3	Sales	3,219	Cash collection occurs 90–180 days after month-end.	0.08%
7	Suzhou Singatron Auto Co., Ltd.	SINGATRON ELECTRONIC(THAILAND) CO., LTD.	3	Accounts receivable	2,217	Cash collection occurs 90–180 days after month-end.	0.02%
7	Suzhou Singatron Auto Co., Ltd.	SINGATRON ELECTRONIC(THAILAND) CO., LTD.	3	Other receivables	238	Cash collection occurs 90–180 days after month-end.	-%
7	Suzhou Singatron Auto Co., Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	3	Accounts receivable	59,834	Cash collection occurs 90–180 days after month-end.	0.57%
7	Suzhou Singatron Auto Co., Ltd.	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	3	Other receivables	8,084	Cash collection occurs 90–180 days after month-end.	0.08%
7	Suzhou Singatron Auto Co., Ltd.	Singatron Electronic (Zhongshan) Co., Ltd.	3	Sales	15,089	Cash collection occurs 90–180 days after month-end.	0.39%
7	Suzhou Singatron Auto Co., Ltd.	Suzhou Singatron Connector Co., Ltd.	3	Other receivables	243	Cash collection occurs 90–180 days after month-end.	-%
8	Singatron San Jose Connetion Co., Ltd.	Singatron Electronic (Zhongshan) Co., Ltd.	3	Accounts receivable	1,122	Cash collection occurs 90–180 days after month-end.	0.01%
8	Singatron San Jose Connetion Co., Ltd.	Singatron Electronic (Zhongshan) Co., Ltd.	3	Service income	4,607	Monthly settlement with 90-180 days collection period	0.12%
9	SINGATRON TECHNOLOGY (HongKong) CO., L	SINGATRON ELECTRONIC(THAILAND) CO., LTD.	3	Interest income	927	Monthly settlement with 90-180 days collection period	0.02%
9	SINGATRON TECHNOLOGY (HongKong) CO., L	SINGATRON ELECTRONIC(THAILAND) CO., LTD.	3	Prepayment for purchases	4,806	Monthly settlement with 90-180 days collection period	0.05%
10	SINGATRON ELECTRONIC(THAILAND) CO., L	SINGATRON TECHNOLOGY (HongKong) CO., LIMITED	3	Sales	3,199	Monthly settlement with 90-180 days collection period	0.08%

Note 1: Business dealings between the parent company and subsidiaries should be indicated in the number column and the number should be filled in as follows:

1. Fill in “0” for the parent company.
2. Subsidiaries are numbered sequentially from Arabic numeral 1 by company.

Note 2: The relationship between the traders is classified into the following three types:

1. Parent company to subsidiary
2. Subsidiary to parent company
3. Subsidiary to subsidiary

Note 3: The ratio of transaction amount to consolidated total revenue or total assets is calculated as the ending balance to consolidated total assets in the case of assets and liabilities accounts, or as the interim cumulative amount to consolidated total revenue in the case of profit or loss accounts.

Note 4: Foreign currency amounts were translated into NTD based on the exchange rate at the balance sheet date.