

Stock Code: 4535

**FINE BLANKING & TOOL CO., LTD.
AND SUBSIDIARIES**

**Consolidated Financial Statements and
Independent Auditors' Review Report**

**For the Six Months Ended
June 30, 2026 and 2025**

**Address: No. 3, Gong 8th Road, Quanxing Industrial Zone, Xidi Village,
Shengang Township, Changhua County**

Telephone: (04) 7990118

Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors' Review Report	3
4. Consolidated Balance Sheets	4
5. Consolidated Statements of Comprehensive Income	5
6. Consolidated Statements of Changes in Equity	6
7. Consolidated Statements of Cash Flows	7
8. Notes to the Consolidated Financial Statements	
(1) History and organization	8
(2) Approval date and procedures of the financial statements	8
(3) Application of new standards, amendments and interpretations	8~9
(4) Summary of significant accounting policies	9~18
(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	19~20
(6) Explanation of significant accounts	20~40
(7) Related-party transactions	41~42
(8) Pledged assets	43
(9) Significant contingent liabilities and unrecognized commitments	43
(10) Significant disaster loss	43
(11) Significant subsequent events	43
(12) Others	43
(13) Supplementary disclosures	43~44
(a) Information on significant transactions	
(b) Information on investees	
(c) Information on investments in mainland China	
(14) Segment information	44~45



Independent Auditors' Review Report

To Fine Blanking & Tool Co., Ltd.

Introduction

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

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three months and the six months ended June 30, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IASs 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Wu, Jin-Di and Chi, Chia-Yu.

Ful-Fill & Co., CPAs
Changhua, Taiwan
Republic of China
July 28, 2026

Notice to Readers

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

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

FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES
Consolidated Balance Sheets
June 30, 2026, December 31, 2025, and June 30, 2025
(Expressed in Thousands of New Taiwan Dollars)

Items		Notes	June 30, 2026		December 31, 2025		June 30, 2025	
			Amount	%	Amount	%	Amount	%
11××	CURRENT ASSETS:							
1100	Cash and cash equivalents	4 and 6(1)	\$ 1,269,324	39.70	\$ 1,160,993	36.16	\$ 1,213,539	39.19
1136	Current financial assets at amortized cost	4 and 6(2)	201,635	6.31	354,891	11.05	199,669	6.45
1150	Notes receivable, net	4 and 6(3)	6,759	0.21	3,365	0.10	6,124	0.20
1170	Accounts receivable, net	4, 5 and 6(3)	354,592	11.09	303,447	9.45	276,734	8.95
1180	Accounts receivable due from related parties, net	4, 5, 6(3) and 7	85,232	2.67	96,607	3.01	115,465	3.73
1200	Other receivables	7	7,236	0.23	9,690	0.30	6,262	0.20
130×	Inventories	4, 5 and 6(4)	241,641	7.56	234,668	7.31	215,466	6.96
1410	Prepayments		33,373	1.04	27,829	0.87	36,163	1.17
1470	Other current assets		312	0.01	289	0.01	372	0.01
11××	Total current assets		2,200,104	68.82	2,191,779	68.26	2,069,794	66.86
15××	NON-CURRENT ASSETS:							
1600	Property, plant and equipment	4, 6(5) and 8	888,881	27.80	912,302	28.41	915,901	29.58
1755	Right-of-use assets	4 and 6(6)	39,554	1.24	40,333	1.26	38,212	1.23
1801	Computer software, net		2,863	0.09	3,704	0.12	4,424	0.14
1805	Goodwill	4 and 5	15,575	0.49	15,555	0.48	15,455	0.50
1840	Deferred tax assets	4, 5 and 6(12)	24,314	0.76	15,954	0.50	18,082	0.58
1915	Prepayments for business facilities		2,710	0.08	2,648	0.08	429	0.01
1920	Guarantee deposits paid		10,174	0.32	10,275	0.32	10,268	0.33
1995	Other non-current assets, others		12,662	0.40	18,241	0.57	23,904	0.77
15××	Total non-current assets		996,733	31.18	1,019,012	31.74	1,026,675	33.14
1××	TOTAL ASSETS		\$ 3,196,837	100.00	\$ 3,210,791	100.00	\$ 3,096,469	100.00
21××	CURRENT LIABILITIES:							
2130	Currenct contract liabilities	4	\$ 13,934	0.44	\$ 9,440	0.29	\$ 10,189	0.33
2170	Accounts payable	4	241,926	7.57	246,117	7.67	209,695	6.77
2180	Accounts payable to related parties	4 and 7	2,642	0.08	3,839	0.12	3,612	0.12
2200	Other payables		116,625	3.65	77,022	2.40	176,131	5.69
2230	Current tax liabilities	4 and 6(12)	42,316	1.32	18,668	0.58	34,830	1.12
2250	Current provisions	4	181	0.01	8	0.00	36	0.00
2280	Current lease liabilities	4 and 6(7)	1,837	0.06	1,712	0.05	1,263	0.04
2399	Other current liabilities, others		2,408	0.08	2,075	0.06	2,072	0.07
21××	Total current liabilities		421,869	13.21	358,881	11.17	437,828	14.14

(Continued)

FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES
Consolidated Balance Sheets
June 30, 2026, December 31, 2025, and June 30, 2025
(Expressed in Thousands of New Taiwan Dollars)

Items		Notes	June 30, 2026		December 31, 2025		June 30, 2025	
			Amount	%	Amount	%	Amount	%
25××	NON-CURRENT LIABILITIES:							
2551	Provisions for employee benefits, non-current	4	\$ 6,638	0.20	\$ 6,638	0.21	\$ 6,638	0.21
2570	Deferred tax liabilities	4 and 6(12)	44	0.00	10,825	0.34	-	-
2580	Non-current lease liabilities	4 and 6(7)	13,678	0.43	14,224	0.44	13,308	0.43
2645	Guarantee deposits received		2,712	0.08	303	0.01	260	0.01
25××	Total non-current liabilities		23,072	0.71	31,990	1.00	20,206	0.65
2××	Total liabilities		444,941	13.92	390,871	12.17	458,034	14.79
31××	EQUITY ATTRIBUTABLE TO OWNERS OF PARENT:							
3110	Ordinary share	6(9)	756,617	23.66	756,617	23.56	756,617	24.43
3210	Capital surplus, additional paid-in capital	6(9)	150,801	4.72	150,801	4.70	150,801	4.87
3300	Retained earnings	6(9)						
3310	Legal reserve		527,432	16.50	517,624	16.12	517,624	16.72
3320	Special reserve		101,536	3.18	59,634	1.86	59,634	1.93
3350	Unappropriated retained earnings		1,024,789	32.06	1,093,169	34.05	1,029,705	33.25
3400	Other equity interest	6(9)						
3410	Exchange differences on translation of foreign financial statements		(89,138)	(2.79)	(101,535)	(3.16)	(147,714)	(4.77)
31××	Total equity attributable to owners of parent		2,472,037	77.33	2,476,310	77.13	2,366,667	76.43
36××	NON - CONTROLLING INTERESTS	6(9)	279,859	8.75	343,610	10.70	271,768	8.78
3××	Total equity		2,751,896	86.08	2,819,920	87.83	2,638,435	85.21
3×2×	TOTAL LIABILITIES AND EQUITY		\$ 3,196,837	100.00	\$ 3,210,791	100.00	\$ 3,096,469	100.00

(See accompanying notes to consolidated financial statements.)

FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the six months ended June 30, 2026 and 2025
(Expressed in Thousands of New Taiwan Dollars)

Items	Notes	For the Three Months Ended June 30				For the Six Months Ended June 30			
		2026		2025		2026		2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4000 OPERATING REVENUE	4, 5, 6(10) and 7	\$ 667,375	100.00	\$ 658,465	100.00	\$ 1,258,961	100.00	\$ 1,297,995	100.00
5000 OPERATING COSTS	6(4)(13) and 7	<u>(552,873)</u>	<u>(82.84)</u>	<u>(530,426)</u>	<u>(80.55)</u>	<u>(1,040,032)</u>	<u>(82.61)</u>	<u>(1,036,311)</u>	<u>(79.84)</u>
5900 GROSS PROFIT FROM OPERATIONS		<u>114,502</u>	<u>17.16</u>	<u>128,039</u>	<u>19.45</u>	<u>218,929</u>	<u>17.39</u>	<u>261,684</u>	<u>20.16</u>
6000 OPERATING EXPENSES	6(13)								
6100 Selling expenses		(11,381)	(1.71)	(9,200)	(1.40)	(22,589)	(1.80)	(18,616)	(1.44)
6200 Administrative expenses		(39,810)	(5.97)	(38,553)	(5.85)	(73,256)	(5.82)	(78,000)	(6.01)
6300 Research and development expenses		(5,745)	(0.86)	(5,714)	(0.87)	(11,468)	(0.91)	(11,995)	(0.92)
6450 Impairment (loss) gain determined in accordance with IFRS 9		<u>(363)</u>	<u>(0.05)</u>	<u>(63)</u>	<u>(0.01)</u>	<u>(1,575)</u>	<u>(0.13)</u>	<u>(2)</u>	<u>(0.00)</u>
Total operating expenses		<u>(57,299)</u>	<u>(8.59)</u>	<u>(53,530)</u>	<u>(8.13)</u>	<u>(108,888)</u>	<u>(8.66)</u>	<u>(108,613)</u>	<u>(8.37)</u>
6900 NET OPERATING INCOME		<u>57,203</u>	<u>8.57</u>	<u>74,509</u>	<u>11.32</u>	<u>110,041</u>	<u>8.73</u>	<u>153,071</u>	<u>11.79</u>
7000 NON-OPERATING INCOME AND EXPENSES	6(11)								
7100 Interest income		8,955	1.34	9,334	1.42	16,810	1.34	17,941	1.38
7010 Other income		1,823	0.27	1,622	0.24	3,373	0.27	4,371	0.34
7020 Other gains and (losses)		(1,646)	(0.25)	(54,217)	(8.23)	2,638	0.21	(47,779)	(3.68)
7510 Interest expense	6(7)	(140)	(0.02)	(139)	(0.02)	(281)	(0.02)	(291)	(0.02)
7670 Impairment loss		<u>(11)</u>	<u>(0.00)</u>	<u>-</u>	<u>-</u>	<u>(986)</u>	<u>(0.08)</u>	<u>-</u>	<u>-</u>
Total non-operating income and expenses		<u>8,981</u>	<u>1.34</u>	<u>(43,400)</u>	<u>(6.59)</u>	<u>21,554</u>	<u>1.72</u>	<u>(25,758)</u>	<u>(1.98)</u>
7900 PROFIT BEFORE INCOME TAX		66,184	9.91	31,109	4.73	131,595	10.45	127,313	9.81
7950 INCOME TAX EXPENSE	4 and 6(12)	<u>(23,173)</u>	<u>(3.47)</u>	<u>(13,812)</u>	<u>(2.10)</u>	<u>(42,391)</u>	<u>(3.37)</u>	<u>(39,819)</u>	<u>(3.07)</u>
8200 PROFIT FOR THE PERIOD		<u>43,011</u>	<u>6.44</u>	<u>17,297</u>	<u>2.63</u>	<u>89,204</u>	<u>7.08</u>	<u>87,494</u>	<u>6.74</u>
8300 OTHER COMPREHENSIVE INCOME, NET									
8360 Components of other comprehensive income that will be reclassified to profit or loss									
8361 Exchange differences on translation		<u>(4,044)</u>	<u>(0.60)</u>	<u>(145,999)</u>	<u>(22.17)</u>	<u>12,989</u>	<u>1.03</u>	<u>(135,668)</u>	<u>(10.45)</u>
OTHER COMPREHENSIVE INCOME(LOSS), NET OF INCOME TAX		<u>(4,044)</u>	<u>(0.60)</u>	<u>(145,999)</u>	<u>(22.17)</u>	<u>12,989</u>	<u>1.03</u>	<u>(135,668)</u>	<u>(10.45)</u>
8500 TOTAL COMPREHENSIVE INCOME		<u>\$ 38,967</u>	<u>5.84</u>	<u>\$ (128,702)</u>	<u>(19.54)</u>	<u>\$ 102,193</u>	<u>8.11</u>	<u>\$ (48,174)</u>	<u>(3.71)</u>
8600 PROFIT ATTRIBUTABLE TO									
Owners of parent		\$ 21,746	3.25	\$ (9,276)	(1.41)	\$ 43,859	3.48	\$ 34,623	2.67
Non-controlling interests		<u>21,265</u>	<u>3.19</u>	<u>26,573</u>	<u>4.04</u>	<u>45,345</u>	<u>3.60</u>	<u>52,871</u>	<u>4.07</u>
		<u>\$ 43,011</u>	<u>6.44</u>	<u>\$ 17,297</u>	<u>2.63</u>	<u>\$ 89,204</u>	<u>7.08</u>	<u>\$ 87,494</u>	<u>6.74</u>
8700 COMPREHENSIVE INCOME ATTRIBUTABLE TO									
Owners of parent		\$ 20,772	3.11	\$ (104,869)	(15.92)	\$ 56,256	4.46	\$ (53,457)	(4.12)
Non-controlling interests		<u>18,195</u>	<u>2.73</u>	<u>(23,833)</u>	<u>(3.62)</u>	<u>45,937</u>	<u>3.65</u>	<u>5,283</u>	<u>0.41</u>
		<u>\$ 38,967</u>	<u>5.84</u>	<u>\$ (128,702)</u>	<u>(19.54)</u>	<u>\$ 102,193</u>	<u>8.11</u>	<u>\$ (48,174)</u>	<u>(3.71)</u>
9750 BASIC EARNINGS PER SHARE (NTD)	4 and 6(14)	<u>\$ 0.29</u>		<u>\$ (0.12)</u>		<u>\$ 0.58</u>		<u>\$ 0.46</u>	

(See accompanying notes to consolidated financial statements.)

FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the six months ended June 30, 2026 and 2025
(Expressed in Thousands of New Taiwan Dollars)

Items	Equity Attributable to Owners of Parent						Total	Non-controlling Interests	Total Equity
	Ordinary Share	Capital Surplus	Retained Earnings			Others			
			Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements			
BALANCE, JANUARY 1, 2025	\$ 756,617	\$ 150,801	\$ 499,116	\$ 80,932	\$ 1,113,351	\$ (59,634)	\$ 2,541,183	\$ 349,950	\$ 2,891,133
Appropriation of earnings:									
Legal reserve			18,508		(18,508)		-		-
Reversal of special reserve				(21,298)	21,298		-		-
Cash dividends					(121,059)		(121,059)	(83,465)	(204,524)
Profit for the period					34,623		34,623	52,871	87,494
Other comprehensive income (loss) for the period									
Exchange differences on translation of foreign financial statements						(88,080)	(88,080)	(47,588)	(135,668)
BALANCE, JUNE 30, 2025	\$ 756,617	\$ 150,801	\$ 517,624	\$ 59,634	\$ 1,029,705	\$ (147,714)	\$ 2,366,667	\$ 271,768	\$ 2,638,435
BALANCE, JANUARY 1, 2026	\$ 756,617	\$ 150,801	\$ 517,624	\$ 59,634	\$ 1,093,169	\$ (101,535)	\$ 2,476,310	\$ 343,610	\$ 2,819,920
Appropriation of earnings:									
Legal reserve			9,808		(9,808)		-		-
Special reserve				41,902	(41,902)		-		-
Cash dividends					(60,529)		(60,529)	(109,688)	(170,217)
Profit for the period					43,859		43,859	45,345	89,204
Other comprehensive income (loss) for the period									
Exchange differences on translation of foreign financial statements						12,397	12,397	592	12,989
BALANCE, JUNE 30, 2026	\$ 756,617	\$ 150,801	\$ 527,432	\$ 101,536	\$ 1,024,789	\$ (89,138)	\$ 2,472,037	\$ 279,859	\$ 2,751,896

(See accompanying notes to consolidated financial statements.)

FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the six months ended June 30, 2026 and 2025
(Expressed in Thousands of New Taiwan Dollars)

	<u>For the Six Months Ended June 30</u>	
	<u>2026</u>	<u>2025</u>
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES :		
Profit before income tax	\$ 131,595	\$ 127,313
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expenses	53,379	56,135
Amortization expense	11,679	12,055
Expected credit loss (gain)	1,575	2
Interest expense	281	291
Interest income	(16,810)	(17,941)
Loss (gain) on disposal of property, plant and equipment	(599)	(46)
Impairment loss (gain on reversal) on non-financial assets	986	-
Changes in operating assets and liabilities		
Decrease (increase) in notes receivable, net	(3,394)	6,758
Decrease (increase) in accounts receivable, net	(52,711)	64,994
Decrease (increase) in accounts receivable due from related parties	11,366	34,832
Decrease (increase) in other receivables	(495)	(1,917)
Decrease (increase) in inventories	(6,973)	72,827
Decrease (increase) in prepayments	(5,288)	(7,384)
Decrease (increase) in other current assets	<u>(23)</u>	<u>(104)</u>
Total changes in operating assets	<u>(57,518)</u>	<u>170,006</u>
Increase (decrease) in contract liabilities	4,494	(2,847)
Increase (decrease) in accounts payable	(4,191)	(69,692)
Increase (decrease) in accounts payable to related parties	(1,197)	(1,545)
Increase (decrease) in other payable	(20,926)	(45,143)
Increase (decrease) in provisions	173	11
Increase (decrease) in other current liabilities, others	333	(18)
Increase (decrease) in provisions for employee benefits	<u>-</u>	<u>(600)</u>
Total changes in operating liabilities	<u>(21,314)</u>	<u>(119,834)</u>
Cash inflow (outflow) generated from operations	103,254	227,981
Interest received	19,794	18,288
Interest paid	(536)	(556)
Income taxes paid	<u>(37,847)</u>	<u>(47,743)</u>
Net cash flows from (used in) operating activities	<u>84,665</u>	<u>197,970</u>

(Continued)

FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the six months ended June 30, 2026 and 2025
(Expressed in Thousands of New Taiwan Dollars)

	<u>For the Six Months Ended June 30</u>	
	<u>2026</u>	<u>2025</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES :		
Decrease (increase) in financial assets at amortized cost - current	153,256	104,866
Acquisition of property, plant and equipment	(14,928)	(14,292)
Proceeds from disposal of property, plant and equipment	2,187	46
Decrease (increase) in prepayments for business facilities	(3,663)	(17)
Decrease (increase) in refundable deposits	101	10
Decrease (increase) in other non-current assets	<u>(9,612)</u>	<u>(3,880)</u>
Net cash flows from (used in) investing activities	<u>127,341</u>	<u>86,733</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES :		
Payments of lease liabilities	(1,017)	(939)
Increase (decrease) in guarantee deposits received	2,409	(27)
Cash dividends	(109,688)	(83,465)
Change in non-controlling interests	<u>592</u>	<u>(47,588)</u>
Net cash flows from (used in) financing activities	<u>(107,704)</u>	<u>(132,019)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>4,029</u>	<u>(38,611)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	108,331	114,073
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>1,160,993</u>	<u>1,099,466</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 1,269,324</u>	<u>\$ 1,213,539</u>

(See accompanying notes to consolidated financial statements.)

FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the Six Months Ended June 30, 2026 and 2025
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

1. History and Organization

Fine Blanking & Tool Co., Ltd. (the “Company”) was incorporated in March 1988. As of June 30, 2026, the Company’s paid-in capital was \$756,617,400. The major business activities of the Company are the manufacture and sale of automotive and motorcycle parts and various molds. The Company's head office and factory are located in Shengang Township, Changhua County.

The public offering was approved by the Securities and Futures Bureau in December 1998. The Company’s shares were approved by the Securities and Futures Bureau for listing on the Taipei Exchange in January 2003 and have been trading on the Taipei Exchange since April 16, 2003.

2. Approval Date and Procedures of the Financial Statements

The accompanying consolidated financial statements were approved and authorized for issue by the Board of Directors on July 28, 2026.

3. Application of New Standards, Amendments and Interpretations

- (1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (IFRS) as endorsed by the Financial Supervisory Commission (FSC)

In preparing the accompanying consolidated financial statements, the Group has adopted the following IFRS, International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, “IFRSs”) issued by the International Accounting Standards Board (IASB) and endorsed by the FSC, effective from January 1, 2026. New, amended, and revised standards and interpretations are summarized as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective Date Issued by IASB</u>
Amendment to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendment to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendment to IFRS 17 “Initial application of IFRS 17 and IFRS 9 – comparative information”	January 1, 2023
Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

- (2) Standards issued by the IASB that have been endorsed by the FSC, but not yet adopted by the Group:
None

- (3) IFRSs issued by the IASB but not yet endorsed by the FSC

The following table summarizes the new standards, interpretations and amendments issued by the IASB but not yet endorsed by the FSC:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective Date Issued by IASB</u>
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment, and will disclose the relevant impact when the assessment is complete.

4. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

- (1) Compliance statement

The consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, "Interim Financial Reporting," endorsed and issued into effect by the FSC.

- (2) Basis of preparation

The accompanying consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries. The total comprehensive income of subsidiaries is attributed to the Company's shareholders and non-controlling interests, even if this results in non-controlling interests having a deficit balance.

Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

All significant transactions, balances, income, and expenses between the Company's consolidated entities are eliminated in full on consolidation.

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

B. Subsidiaries included in the consolidated financial statements

<u>Name of Investor</u>	<u>Name of Subsidiary</u>	<u>Business Activities</u>	<u>Percentage of Ownership</u>		
			<u>2026/6/30</u>	<u>2025/12/31</u>	<u>2025/6/30</u>
The Company	Superiority Enterprise Corp.	Investment	100.0%	100.0%	100.0%
The Company	Propitious International Inc.	Investment	55.75%	55.75%	55.75%
Superiority Enterprise Corp.	Suzhou Fine Blanking & Tool Co., Ltd.	Products and precision stamping parts for automobiles and special vehicles	100.0%	100.0%	100.0%
Propitious International Inc.	GSK Vietnam Co., Ltd.	Manufacturing, processing and production of products and precision stamping parts for automobiles, motorcycles and special vehicles	100.0%	100.0%	100.0%

(4) Foreign currency transactions and foreign operations

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). When preparing consolidated financial statements, each consolidated entity's operational results and financial position are converted to NTD.

In preparing the financial statements of each individual consolidated entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in foreign currencies are not retranslated. Exchange differences arising on the retranslation of non-monetary items are included in profit or loss for the year except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the foreign operations are translated into NTD using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

(5) Classification of current and non-current assets and liabilities

Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

- A. Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
- B. Assets held mainly for trading purposes;
- C. Assets that are expected to be realized within twelve months from the balance sheet date; or
- D. Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

- A. Liabilities that are expected to be settled within the normal operating cycle;
- B. Liabilities arising mainly from trading activities;
- C. Liabilities that are to be settled within twelve months from the balance sheet date; or

D. Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date.

(6) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments in operations.

(7) Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities other than financial assets and financial liabilities at fair value through profit or loss are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

A. Financial assets

Financial assets are classified into the following categories: financial assets at amortized cost and financial assets at fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified following the change in the business model.

Financial assets at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as measured at FVTPL:

- a. The objective of the Group's business model is achieved by collecting contractual cash flows.
- b. The assets' contractual cash flows represent solely payments of principal and interest.

At initial recognition, these assets are recognized at fair value, plus any directly attributable transaction costs. Subsequent to initial recognition, these assets are measured at amortized cost using the effective interest method, less any impairment losses. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

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

All financial assets not classified as amortized cost or measured at fair value through other comprehensive income (FVOCI) described as above are measured at FVTPL, including derivative financial assets and accounts receivable, which are presented as accounts receivable. On initial recognition, the Group may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets in this category are measured at fair value at initial recognition. Attributable transaction costs are recognized in profit or loss as incurred. Subsequent changes that are measured at fair value, which take into account any dividend and interest income, are recognized in profit or loss.

Impairment of financial assets

At each balance sheet date, the Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including account receivables).

The Group always recognizes lifetime Expected Credit Loss (“ECL”) for account receivables. For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Expected credit losses reflect the weighted average of credit losses with the respective risks of a default occurring as the weights. 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date. In contrast, lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

Financial assets are derecognized when the contractual rights to the cash flows from the assets expire, or when the Group transfers substantially all the risks and rewards of ownership of the financial assets.

B. Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL or financial liabilities measured at amortized cost upon 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 upon initial recognition as at fair value through profit or loss. Gains or losses on the subsequent measurement including interest paid are recognized

in profit or loss.

If the financial liabilities at fair value through profit or loss do not have quoted prices in an active market and their fair value cannot be reliably measured, then they are classified as financial liabilities measured at cost on balance sheet and carried at cost as at the reporting date.

Financial liabilities carried at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate (EIR) method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR method amortization process.

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

Derecognition of financial liabilities

A financial liability is derecognized when the obligation specified in the contract is either discharged or cancelled or expires.

(8) Inventories

The company uses a perpetual inventory system and the inventories are stated at cost. The cost of inventories is calculated using the monthly weighted average method. After making provision for obsolescence, inventories are measured at the lower of cost and net realizable value. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(9) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met.

Property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately. Depreciation is recognized in profit or loss. The estimated useful lives of property, plant and equipment are as follows: buildings and structures 14~50 years, machinery and equipment 2~20 years, transportation equipment 3~10 years, facilities 2~15 years, and other equipment 2~10 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates, any change is accounted for as a change in estimate.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

(10) Leasing arrangements (lessee) — right-of-use assets/ lease liabilities

Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.

Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable.

The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

At the commencement date, the right-of-use asset is stated at cost comprising the amount of the initial measurement of lease liability.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

(11) Intangible assets

A. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

B. Other intangible assets

Intangible assets acquired are measured at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their economic lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(12) Impairment of tangible and intangible assets

A. Goodwill

Goodwill is not amortized and instead is tested for impairment annually, or more frequently when there is an indication that the cash generating unit may be impaired. For the purpose of

impairment testing, goodwill is allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination. If the recoverable amount of a cash-generating unit is less than its carrying amount, the difference is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to the other assets of the cash generating unit pro rata based on the carrying amount of each asset in the cash generating unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

B. Other tangible assets and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

(13) Provisions for liabilities

Provisions are recognized when the Group has a present obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

(14) Employee benefits

A. Retirement benefits

The contribution obligation of a defined contribution plan is recognized as an expense during the period of service provided by the employee. The benefit expenses of a defined benefit pension plan are recognized as defined benefit costs in accordance with the actuarial result.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. The service cost (including current service cost) and the net interest of the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period when they occur. Remeasurement, including actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period when it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

B. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(15) Income tax

Income tax expense represents the sum of the current and deferred income tax.

Current income tax is calculated based on the taxable income of the current year. As part of the profits or losses belong to taxable or deductible items in other reporting periods, or do not belong to taxable or deductible items, the taxable income is different from the net income reported in the statements of comprehensive income. The current income tax-related liabilities of the Group are calculated in accordance with the tax rate that has been legislated or substantively legislated at the end of the reporting period.

An additional 5% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the shareholders resolve to retain the earnings.

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. Deferred tax liabilities are generally recognized for all future taxable temporary differences. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

(16) Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer. Revenue is recognized when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. The details of the Group's major sources of revenue were as follows:

The Group mainly manufactures parts and molds for automobile, motorcycle and other transportation. Sales are recognized when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional. Payment term granted to customers is due 60-90 days from the invoice date, and to some customers is 120 days. Therefore, the Group does not adjust the monetary time value of the transaction price. For some of the contracts, part of the consideration was received from customers before transferring a promised good to a customer, and the Group has the obligation to transfer the goods subsequently. Accordingly, the Group recognized the consideration received in advance from customers under contract liabilities.

Rental income is recognized as non-operating income over time in accordance with term of the lease. Depreciation and direct costs attribute to investment property is recognized in operating expenses.

(17) Government grants

Government grants are recognized only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes expenses for the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred are recognized in profit or loss of the period in which they become receivable.

Government grants are presented in the financial statements as follows: Unrealized government grants (that is, the benefits of deferred government grants) are classified as liabilities in the balance sheet; realized government grants are other income in the comprehensive income statement.

(18) Operating segments information

Operating segments are reported in a manner consistent with the internal management reports provided to the chief operating decision-maker. The Group's chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

5. Significant Accounting Assumptions and Judgments, and Major Sources of Estimation Uncertainty

In the application of the Group's accounting policies mentioned in note 4, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

(1) The loss allowance of accounts receivable

The Group has estimated the loss allowance of accounts receivable based on the risk of a default occurring and the rate of expected credit loss. The Group has considered historical experience, current economic conditions and forward-looking information at the reporting date to determine the assumptions to be used in calculating the impairments and the selected inputs.

As of June 30, 2026, December 31, 2025 and June 30, 2025, the Group recognized the loss allowance of \$1,860 thousand, \$279 thousand and \$167 thousand, respectively.

(2) Impairment of tangible and intangible assets other than goodwill

In the process of evaluating the potential impairment of tangible and intangible assets other than goodwill, the Group is required to make subjective judgments in determining the independent cash flows, useful lives, expected future revenue and expenses related to the specific asset groups with the consideration of the nature of industry. Any changes in these estimates based on changed economic conditions or business strategies could result in significant impairment charges or reversal in future years.

For the six months ended June 30, 2026 and 2025, the Group recognized the impairment loss (gain on reversal of impairment loss) of \$986 thousand and \$0 thousand, respectively.

(3) Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgment, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units.

For the six months ended June 30, 2026 and 2025, the Group recognized no impairment loss of goodwill.

(4) Realization of deferred income tax assets

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which those deferred tax assets can be utilized. Assessment of the realization of the deferred tax assets requires the management's subjective judgment and estimate, including the future revenue growth and profitability, tax holidays, the amount of tax credits can be utilized and feasible tax planning strategies. Any changes in the global economic environment, the industry trends and relevant laws and regulations could result in significant adjustments to the deferred tax assets.

As of June 30, 2026, December 31, 2025 and June 30, 2025, the Group recognized the deferred tax assets of \$24,314 thousand, \$15,954 thousand and \$18,082 thousand, respectively.

(5) Valuation of inventory

Inventories are stated at the lower of cost or net realizable value, and the Group uses judgment and estimate to determine the net realizable value of inventory at the end of each reporting period. The Group estimates the net realizable value of inventory for obsolescence and unmarketable items at the end of reporting period and then writes down the cost of inventories to net realizable value. This inventory valuation is based primarily on the estimated market value of inventories at the end of the financial reporting period and is therefore subject to significant change.

As of June 30, 2026, December 31, 2025 and June 30, 2025, the carrying amounts of inventories were \$241,641 thousand, \$234,668 thousand and \$215,466 thousand, respectively.

6. Explanation of Significant Accounts

(Expressed in Thousands of New Taiwan Dollars Unless Otherwise Specified)

(1) Cash and cash equivalents

Items	June 30, 2026	December 31, 2025	June 30, 2025
Cash	\$ 338	\$ 704	\$ 391
Deposits in banks	1,268,986	1,160,289	1,213,148
Total	<u>\$ 1,269,324</u>	<u>\$ 1,160,993</u>	<u>\$ 1,213,539</u>

The cash and cash equivalents of the Group had not been pledged as collateral.

(2) Current financial assets at amortized cost

Items	June 30, 2026	December 31, 2025	June 30, 2025
Time deposits over three months	\$ 201,635	\$ 354,891	\$ 199,669

The time deposits over three months of the Group had not been pledged as collateral.
Information relating to credit risk of financial assets at amortized cost is provided in Note 6(16).

(3) Notes and accounts receivable, net

Items	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable	\$ 6,759	\$ 3,365	\$ 6,124
Less: Loss allowance	-	-	-
Accounts receivable	356,319	303,447	278,599
Add: Allowance for exchange gains and losses	124	279	(1,698)
Less: Loss allowance	(1,851)	(279)	(167)
Accounts receivable from related parties	85,241	96,607	115,465
Add: Allowance for exchange gains and losses	-	-	-
Less: Loss allowance	(9)	-	-
Total	<u>\$ 446,583</u>	<u>\$ 403,419</u>	<u>\$ 398,323</u>

For trade receivables, the Group applies a simplified approach in calculating ECLs to recognize for credit losses expected over the remaining life of the exposure. As of June 30, 2026, December 31, 2025 and June 30, 2025, the analysis of the Group's expected credit losses of accounts receivable were as follows:

Items	Carrying amount	Lifetime expected credit loss rate	Loss allowance provision
June 30, 2026			
Not past due	\$ 378,645	0.00%-0.20%	\$ 240
Past due within 90 days	61,468	0.00%-3.28%	1,358
Past due 91-180 days	1,446	0.00%-18.12%	262
Past due over 180 days	-	100.00%	-
Add: Allowance for exchange gains and losses	125		
Total	<u>\$ 441,684</u>		<u>\$ 1,860</u>

Items	Carrying amount	Lifetime expected credit loss rate	Loss allowance provision
December 31, 2025			
Not past due	\$ 368,715	0.00%	\$ -
Past due within 90 days	30,814	0.00%-0.94%	11
Past due 91-180 days	525	0.00%-53.94%	268
Past due over 180 days	-	100.00%	-
Add: Allowance for exchange gains and losses	279		
Total	<u>\$ 400,333</u>		<u>\$ 279</u>

Items	Carrying amount	Lifetime expected credit loss rate	Loss allowance provision
June 30, 2025			
Not past due	\$ 377,754	0.00%	\$ -
Past due within 90 days	15,861	0.00%-0.94%	6
Past due 91-180 days	-	0.00%-53.94%	-
Past due over 180 days	449	100.00%	161
Add: Allowance for exchange gains and losses	(1,698)		
Total	<u>\$ 392,366</u>		<u>\$ 167</u>

For the six months ended June 30, 2026 and 2025, the movement in the allowance for notes and accounts receivable were as follows:

Items	For the six months ended June 30	
	2026	2025
Balance, beginning of period	\$ 279	\$ 181
Provision (reversal)	1,575	2
Effect of exchange rate changes	6	(16)
Balance, end of period	<u>\$ 1,860</u>	<u>\$ 167</u>

The accounts receivable of the Group had not been pledged as collateral.

(4) Inventories

Items	June 30, 2026	December 31, 2025	June 30, 2025
Finished goods	\$ 86,997	\$ 91,165	\$ 79,192
Work in process	93,370	86,215	89,463
Raw materials	99,050	95,171	93,357
Others	7,461	3,654	3,114
Inventory in transit	2,071	8,469	-
Less: Allowance for inventory valuation and obsolescence losses	(47,308)	(50,006)	(49,660)
Total	\$ 241,641	\$ 234,668	\$ 215,466

The inventories of the Group had not been pledged as collateral. The cost of inventories recognized as cost of goods sold for the six months ended June 30, 2026 and 2025 were as follows:

Items	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Cost of goods sold	\$ 553,270	\$ 534,392	\$ 1,042,794	\$ 1,046,762
Net losses (gains) on inventories	42	(2)	51	18
Inventory scrap loss	58	956	158	1,047
Losses on inventory valuation	(497)	(4,920)	(2,971)	(11,516)
Total	\$ 552,873	\$ 530,426	\$ 1,040,032	\$ 1,036,311

(5) Property, plant and equipment

Items	June 30, 2026	December 31, 2025	June 30, 2025
Land	\$ 399,060	\$ 399,060	\$ 399,060
Buildings and structures	234,599	248,384	251,317
Machinery and equipment	190,697	204,713	212,516
Transportation equipment	7,681	7,419	7,916
Office equipment	2,791	2,451	1,810
Other equipment	54,053	50,275	42,592
Construction in progress	-	-	690
Total	\$ 888,881	\$ 912,302	\$ 915,901

Items	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Other equipment	Construction in progress	Total
Cost:								
2026/1/1	\$ 399,060	\$ 654,480	\$ 1,870,077	\$ 27,398	\$ 14,504	\$ 247,295	\$ -	\$ 3,212,814
Additions			2,786	1,220	639	10,283		14,928
Disposals		(32)	(7,888)	(1,320)		(3,069)		(12,309)
Transfers			3,646			4,633		8,279
Effect of exchange rate changes		5,243	19,842	251	235	1,568		27,139
2026/6/30	\$ 399,060	\$ 659,691	\$ 1,888,463	\$ 27,549	\$ 15,378	\$ 260,710	\$ -	\$ 3,250,851
2025/1/1	\$ 399,060	\$ 671,642	\$ 1,918,694	\$ 28,845	\$ 14,517	\$ 234,074	\$ 792	\$ 3,267,624
Additions		3,082	10,781		812	26,128		40,803
Disposals		(3,496)	(17,399)	(47)	(247)	(3,858)		(25,047)
Transfers		734	188			(2,526)	(734)	(2,338)
Effect of exchange rate changes		(17,482)	(42,187)	(1,400)	(578)	(6,523)	(58)	(68,228)
2025/12/31	\$ 399,060	\$ 654,480	\$ 1,870,077	\$ 27,398	\$ 14,504	\$ 247,295	\$ -	\$ 3,212,814
2025/1/1	\$ 399,060	\$ 671,642	\$ 1,918,694	\$ 28,845	\$ 14,517	\$ 234,074	\$ 792	\$ 3,267,624
Additions		1,335	2,911			10,046		14,292
Disposals		(1,238)	(6,925)	(47)	(247)	(2,259)		(10,716)
Transfers						(2,458)		(2,458)
Effect of exchange rate changes		(36,948)	(100,517)	(2,701)	(1,313)	(13,724)	(102)	(155,305)
2025/6/30	\$ 399,060	\$ 634,791	\$ 1,814,163	\$ 26,097	\$ 12,957	\$ 225,679	\$ 690	\$ 3,113,437
Accumulated depreciation and impairment:								
2026/1/1	\$ -	\$ 406,096	\$ 1,665,364	\$ 19,979	\$ 12,053	\$ 197,020	\$ -	\$ 2,300,512
Depreciation		16,503	23,007	1,019	343	11,755		52,627
Disposals		(29)	(6,304)	(1,320)		(3,068)		(10,721)
Transfers								-
Effect of exchange rate changes		2,522	15,699	190	191	950		19,552
2026/6/30	\$ -	\$ 425,092	\$ 1,697,766	\$ 19,868	\$ 12,587	\$ 206,657	\$ -	\$ 2,361,970
2025/1/1	\$ -	\$ 382,275	\$ 1,668,008	\$ 18,625	\$ 11,952	\$ 184,043	\$ -	\$ 2,264,903
Depreciation		33,846	49,889	2,117	778	21,996		108,626
Disposals		(3,496)	(17,243)	(47)	(247)	(3,858)		(24,891)
Transfers								-
Effect of exchange rate changes		(6,529)	(35,290)	(716)	(430)	(5,161)		(48,126)
2025/12/31	\$ -	\$ 406,096	\$ 1,665,364	\$ 19,979	\$ 12,053	\$ 197,020	\$ -	\$ 2,300,512
2025/1/1	\$ -	\$ 382,275	\$ 1,668,008	\$ 18,625	\$ 11,952	\$ 184,043	\$ -	\$ 2,264,903
Depreciation		17,375	23,662	1,162	484	11,829		54,512
Disposals		(1,238)	(6,925)	(47)	(247)	(2,259)		(10,716)
Transfers								-
Effect of exchange rate changes		(14,938)	(83,098)	(1,559)	(1,042)	(10,526)		(111,163)
2025/6/30	\$ -	\$ 383,474	\$ 1,601,647	\$ 18,181	\$ 11,147	\$ 183,087	\$ -	\$ 2,197,536
Carrying amounts:								
2026/6/30	\$ 399,060	\$ 234,599	\$ 190,697	\$ 7,681	\$ 2,791	\$ 54,053	\$ -	\$ 888,881
2025/12/31	\$ 399,060	\$ 248,384	\$ 204,713	\$ 7,419	\$ 2,451	\$ 50,275	\$ -	\$ 912,302
2025/6/30	\$ 399,060	\$ 251,317	\$ 212,516	\$ 7,916	\$ 1,810	\$ 42,592	\$ 690	\$ 915,901

The significant part of the Group's buildings includes plants, main office building, utilities engineering and air conditioning system, and the related depreciation is calculated using the estimated useful lives of 5-50 years.

As of June 30, 2026, December 31, 2025 and June 30, 2025, the Group recognized \$14,049 thousand, \$14,409 thousand and \$11,307 thousand as a reserve for impairment loss from property, plant and equipment.

As of June 30, 2026, December 31, 2025 and June 30, 2025, information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

For the period ended June 30, 2026, December 31, 2025 and June 30, 2025, no borrowing cost was capitalized as part of property, plant and equipment.

(6) Right-of-use assets

A. The carrying amount of the right-of-use assets were as follows:

Items	June 30, 2026	December 31, 2025	June 30, 2025
Land	\$ 37,223	\$ 37,575	\$ 35,953
Transportation equipment	1,134	1,112	164
Office Equipment	1,197	1,646	2,095
Total	<u>\$ 39,554</u>	<u>\$ 40,333</u>	<u>\$ 38,212</u>

Movements in right-of-use assets were as follows:

Items	Land	Transporation equipment	Office equipment	Total
Cost:				
2026/1/1	\$ 49,715	\$ 1,757	\$ 2,694	\$ 54,166
Additions		373		373
Disposals		(431)		(431)
Effect of exchange rate changes	679			679
2026/6/30	<u>\$ 50,394</u>	<u>\$ 1,699</u>	<u>\$ 2,694</u>	<u>\$ 54,787</u>
2025/1/1	\$ 53,039	\$ 1,669	\$ 2,694	\$ 57,402
Additions		1,326		1,326
Disposals		(1,238)		(1,238)
Effect of exchange rate changes	(3,324)			(3,324)
2025/12/31	<u>\$ 49,715</u>	<u>\$ 1,757</u>	<u>\$ 2,694</u>	<u>\$ 54,166</u>
2025/1/1	\$ 53,039	\$ 1,669	\$ 2,694	\$ 57,402
Additions				-
Disposals				-
Effect of exchange rate changes	(6,538)			(6,538)
2025/6/30	<u>\$ 46,501</u>	<u>\$ 1,669</u>	<u>\$ 2,694</u>	<u>\$ 50,864</u>

Items	Land	Transporation equipment	Office equipment	Total
Depreciation:				
2026/1/1	\$ 12,140	\$ 645	\$ 1,048	\$ 13,833
Depreciation	882	351	449	1,682
Disposals		(431)		(431)
Effect of exchange rate changes	149			149
2026/6/30	<u>\$ 13,171</u>	<u>\$ 565</u>	<u>\$ 1,497</u>	<u>\$ 15,233</u>
2025/1/1	\$ 11,108	\$ 1,227	\$ 150	\$ 12,485
Depreciation	1,739	656	898	3,293
Disposals		(1,238)		(1,238)
Effect of exchange rate changes	(707)			(707)
2025/12/31	<u>\$ 12,140</u>	<u>\$ 645</u>	<u>\$ 1,048</u>	<u>\$ 13,833</u>
2025/1/1	\$ 11,108	\$ 1,227	\$ 150	\$ 12,485
Depreciation	896	278	449	1,623
Disposals				-
Effect of exchange rate changes	(1,456)			(1,456)
2025/6/30	<u>\$ 10,548</u>	<u>\$ 1,505</u>	<u>\$ 599</u>	<u>\$ 12,652</u>
Carrying amounts:				
2026/6/30	<u>\$ 37,223</u>	<u>\$ 1,134</u>	<u>\$ 1,197</u>	<u>\$ 39,554</u>
2025/12/31	<u>\$ 37,575</u>	<u>\$ 1,112</u>	<u>\$ 1,646</u>	<u>\$ 40,333</u>
2025/6/30	<u>\$ 35,953</u>	<u>\$ 164</u>	<u>\$ 2,095</u>	<u>\$ 38,212</u>

- B. The Group leases land for the use of plants with lease terms of 45 to 50 years, and leases transportation and office equipment with lease terms of 3 years.

The Group leases photocopying equipment and transportation equipment with lease terms of less than one year, these leases are short-term and leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(7) Lease liabilities

A. The carrying amount of the lease liabilities were as follows:

June 30, 2026			
Items	Future minimum lease payments	Interest	Present value of minimum lease payments
Within 1 year	\$ 2,370	\$ 533	\$ 1,837
2-3 years	2,177	982	1,195
4-5 years	1,462	938	524
Over 5 years	19,025	7,066	11,959
Total	\$ 25,034	\$ 9,519	\$ 15,515
Current	\$ 2,370	\$ 533	\$ 1,837
Non-current	\$ 22,664	\$ 8,986	\$ 13,678

December 31, 2025			
Items	Future minimum lease payments	Interest	Present value of minimum lease payments
Within 1 year	\$ 2,258	\$ 546	\$ 1,712
2-3 years	2,703	998	1,705
4-5 years	1,446	949	497
Over 5 years	19,492	7,470	12,022
Total	\$ 25,899	\$ 9,963	\$ 15,936
Current	\$ 2,258	\$ 546	\$ 1,712
Non-current	\$ 23,641	\$ 9,417	\$ 14,224

June 30, 2025			
Items	Future minimum lease payments	Interest	Present value of minimum lease payments
Within 1 year	\$ 1,820	\$ 557	\$ 1,263
2-3 years	2,639	1,035	1,604
4-5 years	1,445	981	464
Over 5 years	18,959	7,719	11,240
Total	\$ 24,863	\$ 10,292	\$ 14,571
Current	\$ 1,820	\$ 557	\$ 1,263
Non-current	\$ 23,043	\$ 9,735	\$ 13,308

B. The amounts recognized in profit or loss were as follows:

Items	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Interest on lease liabilities	\$ 140	\$ 139	\$ 281	\$ 291
Expenses relating to short-term leases	\$ 138	\$ 447	\$ 267	\$ 946

C. The amounts recognized in the statement of cash flows for the Group were as follows:

Items	For the six months ended June 30	
	2026	2025
Total cash outflow for leases	\$ 1,819	\$ 2,441

(8) Employee benefits

A. Defined contribution plans

The plan under the R.O.C. Labor Pension Act (the “Act”) is deemed a defined contribution plan. Pursuant to the Act, the Company has made monthly contributions equal to 6% of each employee’s monthly salary to employees’ pension accounts. Furthermore, GSK Vietnam Co., Ltd. and Suzhou Fine Blanking & Tool Co., Ltd. also make contributions at certain percentages of the total monthly salary of their employees. Accordingly, the Group recognized pension expenses for the six months ended June 30, 2026 and 2025, respectively, were as follows:

Items	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Defined contribution pension expense	\$ 2,605	\$ 2,570	\$ 5,244	\$ 5,406

B. Defined benefit plans

The Company reached an agreement with the employees who chose the old pension scheme in July 2023 in accordance with the Labor Standards Law and the Labor Pension Act to settle the pension fund, and has obtained an approval letter from the Trust Department, Bank of Taiwan, in August and September 2023.

(9) Equity

A. Ordinary share

As of June 30, 2026, the Company's authorized common shares amounted to \$1,200,000,000, and the outstanding common shares amounted to \$756,617,400, consisting of 75,661,740 shares of common stock, with a par value of \$10 per share.

B. Capital surplus

Items	June 30, 2026	December 31, 2025	June 30, 2025
Additional paid-in capital	\$ 150,801	\$ 150,801	\$ 150,801

Under the relevant laws, the capital surplus generated from the excess of the issuance price over the par value of capital stock (including the stock issued for new capital, mergers, convertible bonds and the surplus from treasury stock transactions) and donations may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or stock dividends up to a certain percentage of the Company's paid-in capital.

C. Retained earnings

Operating within the automobile and motorcycle parts industry, the Company shall first take into consideration its operating environment, and industry developments, as well as its programs to maintain its operating efficiency and meet its capital expenditure budget and financial goals. As stipulated in the Company's Articles of Incorporation, the earnings, if any, shall be distributed as follows:

If there is net profit after tax for each fiscal year, at least 2% of the current-year profit shall be distributed as employees' compensation, and remuneration to directors shall not exceed 5% of the current-year profit, once any accumulated losses have been fully covered. Of the aforementioned employees' compensation, at least 60% shall be distributed to non-executive employees. The Company's net earnings should first be used to pay taxes and offset prior years' deficits, if any. Of the remaining balance with the adjustment amount of undistributed earnings, the legal reserve shall be appropriated in accordance with applicable laws. A special reserve shall also be set aside or reversed in accordance with laws. Then, any remaining profit, together with any undistributed retained earnings from previous years, shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the shareholders' meeting for approval. Dividend to be distributed shall be no less than 10% of the current-year retained earnings available for distribution. The cash dividends shall not be less than 20% of the total dividends. Nevertheless, the Board of Directors could make adjustments according to the actual profit and capital status of the company in the current year and propose the appropriation for resolution at the shareholders' meeting.

According to the Act, a company shall set aside legal reserve until it equals the paid-in capital. The legal capital reserve may be used to offset a deficit, or be distributed as dividends in cash or stocks for the portion in excess of 25% of the paid-in capital if the Company incurs no loss.

Pursuant to existing regulations, the Company is required to set aside additional special capital reserve equivalent to the net debit balance of the other components of shareholders' equity, such as the accumulated balance of foreign currency translation reserve, unrealized valuation

gains and losses from financial assets at FVOCI. For any subsequent decrease in the deduction amount from shareholders' equity, any special reserve appropriated may be reversed to the extent that the net debit balance reverses.

The amounts of dividends on the appropriations of earnings for 2025 and 2024 had been approved during shareholders' meeting on May 28, 2026 and May 27, 2025 as follows:

Items	Appropriation		Dividend per share	
	2025	2024	2025	2024
Legal reserve	\$ 9,808	\$ 18,508		
Special reserve	41,901	(21,298)		
Cash dividends	60,529	121,059	\$ 0.80	\$ 1.60

D. Others

Changes in others for the six months ended June 30, 2026 and 2025 were as follows:

Items		For the six months ended June 30	
		2026	2025
Exchange differences on translation of foreign financial statements	Balance, beginning of period	\$ (101,535)	\$ (59,634)
	Changes in period	12,397	(88,080)
	Balance, end of period	\$ (89,138)	\$ (147,714)

E. Non-controlling interests

Changes in the amount of non-controlling interests for the six months ended June 30, 2026 and 2025 were as follows:

Items	For the six months ended June 30	
	2026	2025
Balance, beginning of period	\$ 343,610	\$ 349,950
Appropriation of earnings	(109,688)	(83,465)
Profit for the period	45,345	52,871
Exchange differences on translation of foreign financial statements	592	(47,588)
Balance, end of period	\$ 279,859	\$ 271,768

(10) Operating revenue

Disaggregation of revenue for the six months ended June 30, 2026 and 2025 were as follows:

Items	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Sale of goods	\$ 655,514	\$ 648,783	\$ 1,237,573	\$ 1,280,340
Others	11,861	9,682	21,388	17,655
Total	\$ 667,375	\$ 658,465	\$ 1,258,961	\$ 1,297,995

(11) Non-operating income and expenses

The details of non-operating income and expenses for the six months ended June 30, 2026 and 2025 were as follows:

Items	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Non-operating income				
Rent income	\$ 536	\$ 604	\$ 1,061	\$ 1,252
Other income	1,287	1,018	2,312	3,119
Total	\$ 1,823	\$ 1,622	\$ 3,373	\$ 4,371

Items	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Other gains and losses				
Gain (loss) on disposal of property, plant and equipment	\$ 494	\$ 10	\$ 599	\$ 46
Foreign exchange losses	(899)	(54,123)	3,443	(47,240)
Others	(1,241)	(104)	(1,404)	(585)
Total	\$ (1,646)	\$ (54,217)	\$ 2,638	\$ (47,779)

(12) Income tax

A. Income tax expense recognized in profit or loss

Items	For the six months ended June 30	
	2026	2025
Current income tax expense		
Current tax expense recognized in the current year	\$ 56,927	\$ 48,506
Income tax adjustments on prior years	4,292	(2,418)
Tax on undistributed profit	-	3,340
Deferred income tax expense		
The origination and reversal of temporary differences	(18,828)	(9,609)
Income tax expense recognized in profit or loss	\$ 42,391	\$ 39,819

B. A reconciliation of income before income tax and income tax expense recognized in profit or loss

Items	For the six months ended June 30	
	2026	2025
Income before tax	\$ 131,595	\$ 127,313
Income tax expense at the statutory rate	\$ 34,585	\$ 37,118
Tax effect of adjusting items		
Nondeductible items in determining taxable income	1,058	100
Tax on undistributed profit	-	3,340
Income tax adjustments on prior years	4,292	(2,418)
Changes in deferred tax		
Temporary differences	2,456	1,679
Income tax expense recognized in profit or loss	\$ 42,391	\$ 39,819

C. Deferred income tax assets and liabilities

Items	June 30, 2026	December 31, 2025	June 30, 2025
Deferred income tax assets			
Account receivable	\$ 372	\$ 6	\$ 32
Provisions	37	2	7
Inventory	7,548	7,462	7,858
Long-term investments	7,771	-	1,206
Property, plant and equipment	3,269	3,293	2,657
Unrealized gross profit from intercompany transactions within the Group	259	94	68
Rights-of-use assets / lease liabilities	3,551	3,465	3,192
Provisions for employee benefits	1,327	1,327	1,327
Foreign currency assets and liabilities	180	305	1,735
Total	<u>\$ 24,314</u>	<u>\$ 15,954</u>	<u>\$ 18,082</u>
Deferred income tax liabilities			
Long-term investments	\$ -	\$ 10,760	\$ -
Foreign currency assets and liabilities	44	65	
Total	<u>\$ 44</u>	<u>\$ 10,825</u>	<u>\$ -</u>

D. Changes in deferred income tax assets and liabilities

For the six months ended June 30, 2026

Items	Balance, beginning of period	Profit or loss	Effect of exchange rate changes	Balance, end of period
Deferred income tax assets				
Account receivable	\$ 6	\$ 365	\$ 1	\$ 372
Provisions	2	35		37
Inventory	7,462	19	67	7,548
Long-term investments	-	7,771		7,771
Property, plant and equipment	3,293	(122)	98	3,269
Unrealized gross profit from intercompany transactions within the Group	94	165		259
Right-of-use assets / lease liabilities	3,465	(61)	147	3,551
Provisions for employee benefits	1,327			1,327
Foreign currency assets and liabilities	305	(125)		180
Total	<u>\$ 15,954</u>	<u>\$ 8,047</u>	<u>\$ 313</u>	<u>\$ 24,314</u>

Items	Balance, beginning of period	Profit or loss	Effect of exchange rate changes	Balance, end of period
Deferred income tax liabilities				
Long-term investments	\$ 10,760	\$ 10,760	\$ -	\$ -
Foreign currency assets and liabilities	65	21		44
Total	<u>\$ 10,825</u>	<u>\$ 10,781</u>	<u>\$ -</u>	<u>\$ 44</u>

For the six months ended June 30, 2025

Items	Balance, beginning of period	Profit or loss	Effect of exchange rate changes	Balance, end of period
Deferred income tax assets				
Account receivable	\$ 3	\$ 32	\$ (3)	\$ 32
Provisions	5	2		7
Inventory	9,458	(1,349)	(251)	7,858
Long-term investments	-	1,206		1,206
Property, plant and equipment	3,208	(322)	(229)	2,657
Unrealized gross profit from intercompany transactions within the Group	252	(183)	(1)	68
Right-of-use assets / lease liabilities	3,622	(57)	(373)	3,192
Provisions for employee benefits	1,447	(120)		1,327
Foreign currency assets and liabilities	5	1,730		1,735
Total	<u>\$ 18,000</u>	<u>\$ 939</u>	<u>\$ (857)</u>	<u>\$ 18,082</u>

Deferred income tax liabilities				
Long-term investments	\$ 7,776	\$ 7,776	\$ -	\$ -
Foreign currency assets and liabilities	894	894		
Total	<u>\$ 8,670</u>	<u>\$ 8,670</u>	<u>\$ -</u>	<u>\$ -</u>

E. Unrecognized deferred tax assets

As of June 30, 2026, December 31, 2025 and June 30, 2025, deferred income tax asset items that are not very likely realizable and hence are not recognized of the Group were as follows:

Item	June 30, 2026	December 31, 2025	June 30, 2025
Deferred income tax assets	\$ 51,752	\$ 46,524	\$ 41,037

F. The tax authorities have examined income tax returns of the Company through 2023.

(13) Employee benefits, depreciation, depletion, and amortization expenses

		For the three months ended June 30					
		2026			2025		
By item	By function	Cost of sale	Operating expense	Total	Cost of sale	Operating expense	Total
Employee benefits							
Salary		\$ 48,984	\$ 17,004	\$ 65,988	\$ 44,570	\$ 16,724	\$ 61,294
Labor and health insurance		6,189	2,151	8,340	6,263	2,115	8,378
Pension		1,492	1,113	2,605	1,618	952	2,570
Remuneration directors		-	2,299	2,299	-	2,939	2,939
Others		15,955	2,351	18,306	11,152	821	11,973
Depreciation		20,969	5,731	26,700	21,802	5,412	27,214
Amortization		4,009	2,030	6,039	3,637	2,391	6,028

		For the six months ended June 30					
		2026			2025		
By item	By function	Cost of sale	Operating expense	Total	Cost of sale	Operating expense	Total
Employee benefits							
Salary		\$ 97,621	\$ 34,973	\$ 132,594	\$ 93,300	\$ 35,409	\$ 128,709
Labor and health insurance		12,445	4,807	17,252	12,904	5,038	17,942
Pension		2,985	2,259	5,244	3,246	2,160	5,406
Remuneration directors		-	4,523	4,523	-	5,677	5,677
Others		29,242	4,858	34,100	21,802	3,214	25,016
Depreciation		41,898	11,481	53,379	44,973	11,162	56,135
Amortization		7,622	4,057	11,679	7,279	4,776	12,055

Note: For the periods ended June 30, 2026 and 2025, the average numbers of employees of the Group were 909 and 942, respectively. The numbers of directors excluding the employees were both 8.

The remunerations to employees and the remunerations to directors for the six months ended June 30, 2026 and 2025 amounted to \$5,295 thousand and \$4,995 thousand, respectively. These amounts were estimated based on the Company's net income before tax for each period, before deducting the remunerations to employees and directors, multiplied by the percentages as prescribed in the Company's Articles of Incorporation, and were recognized as operating costs or operating expenses. If there are any differences between the estimated amounts and the actual amounts distributed in the following year, such differences will be regarded as changes in accounting estimates and reflected in profit or loss in the following year.

The remuneration to employees and directors for 2025 approved by the Board of Directors on March 4, 2026 amounted to \$7,173 thousand and \$5,164 thousand, respectively, and the remuneration to employees and directors for 2024 approved by the Board of Directors on February 24, 2025 amounted to \$12,772 thousand and \$9,196 thousand, respectively. There is no difference between the

aforementioned approved amounts and the amounts recognized as expenses in the parent company only financial statements for 2025 and 2024, respectively. The aforementioned remuneration was reported at the annual shareholders' meetings held on May 28, 2026 and May 27, 2025, respectively.

The information about the remuneration to employees and directors is available on the Market Observation Post System website.

(14) Earnings per share of common stock

Items	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Profit attributable to common shareholders of the parent (in thousands)	\$ 21,746	\$ (9,276)	\$ 43,859	\$ 34,623
The number of outstanding shares at beginning of period (in thousands)	75,661.74	75,661.74	75,661.74	75,661.74
Weighted-average number of common shares (in thousands)	75,661.74	75,661.74	75,661.74	75,661.74
Basic earnings per share	\$ 0.29	\$ (0.12)	\$ 0.58	\$ 0.46

(15) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

(16) Financial instruments

A. Categories of financial instruments

Items	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets			
Financial assets at amortized cost			
Cash and cash equivalents	\$ 1,269,324	\$ 1,160,993	\$ 1,213,539
Financial assets at amortized cost	201,635	354,891	199,669
Receivables	446,583	403,419	398,323
Total	\$ 1,917,542	\$ 1,919,303	\$ 1,811,531

Items	June 30, 2026	December 31, 2025	June 30, 2025
Financial liabilities			
Financial liabilities at amortized cost			
Payables	\$ 244,568	\$ 249,956	\$ 213,307
Lease liabilities — current	1,837	1,712	1,263
Lease liabilities — non-current	13,678	14,224	13,308
Total	\$ 260,083	\$ 265,892	\$ 227,878

B. Financial risk management objectives and policies

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activities. The Group identifies, measures and manages the aforementioned risks based on the Group's policy and risk tendency.

For the above-mentioned financial risks, the Group has established suitable policies, procedures, and internal control according to related regulations. Important financial activities need to be reviewed by the Board of Directors according to applicable regulations and the internal control system. While a financial plan is being implemented, the Group needs to strictly follow applicable financial operating procedures about the overall financial risk management.

C. Market risk

The market risk of the Group is the risk of volatility in fair value or cash flows of financial instruments as a result of the varying prices on the market. Market risk mainly includes exchange rate risk, interest rate risk, and other price risk.

In practice, it is rarely the case that a single risk variable will change independently from other risk variables; there are usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

a. Currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and net investment in foreign operations.

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables; therefore, there is natural hedge effect. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as of the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates for USD. The information of the sensitivity analyses is as follows.

When USD appreciates or depreciates against NTD by 1%, the profit increases / decreases as follows:

Items	For the six months ended June 30			
	2026		2025	
	Appreciation	Depreciation	Appreciation	Depreciation
Profit for the period	\$ 5,990	\$ (5,990)	\$ 5,784	\$ (5,784)
Equity	6,758	(6,758)	6,427	(6,427)

b. Interest rate risk

The interest rate risk is the risk of volatility in the fair value or cash flows in the future of financial instruments as a result of changing interest rates on the market. The interest rate risk of the Group mainly comes from borrowings at floating interest rates. Since most short-term loans of the Group for the six months ended June 30, 2026 and 2025 are fixed rate borrowings, the interest rate fluctuations risk of future cash flows was insignificant.

D. Credit risk management

Credit risk is the risk of financial losses to the Group if counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's operating activities (mainly receivables from customers) and financial activities (mainly deposits in banks and financial instruments).

Each business unit manages customer credit risk by following the policies, procedures and controls of the customer's credit risk of the Group. The credit risk assessment of all customers is based on factors such as the financial status of the customer, the evaluation of the credit rating agency, past historical trading experience, current economic environment and internal company evaluation criteria. The Group also uses certain credit enhancement tools (such as advance sales receipts) at appropriate times to reduce the credit risk of specific customers.

Receivables from top ten customers of the total accounts receivable of the Group represented as follows. The credit concentration risk of other accounts receivable was insignificant.

	June 30, 2026	December 31, 2025	June 30, 2025
Percentage	72.28%	69.64%	73.01%

The exposure to credit risk for the bank deposits and other financial instruments is measured and monitored by the Group's finance department. The Group only deals with banks and corporate organizations with good credit rating. The Group does not expect any counterparty above fails to meet its obligations hence there is no significant credit risk arising from these counterparties.

E. Liquidity risk management

The Group manages its liquidity risk by maintaining adequate cash and cash equivalents and bank loan. The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Non-derivative financial instruments

	Within 1 year	2-3 years	4-5 years	Over 5 years	Total
June 30, 2026					
Payables	\$ 244,568	\$ -	\$ -	\$ -	\$ 244,568
Lease liabilities	1,837	1,195	524	11,959	15,515
December 31, 2025					
Payables	\$ 249,956	\$ -	\$ -	\$ -	\$ 249,956
Lease liabilities	1,712	1,705	497	12,022	15,936
June 30, 2025					
Payables	\$ 213,307	\$ -	\$ -	\$ -	\$ 213,307
Lease liabilities	1,263	1,604	464	11,240	14,571

F. Fair value of financial instruments

a. Valuation techniques and assumptions used to measure fair value

The fair values of the financial assets and liabilities refer to the amounts of current transaction of the said instruments with the interested counterparties (instead of mandatory means or liquidation). The methods and assumptions used to estimate the fair value of the Group's financial assets and liabilities are as follows:

The carrying amount of cash and cash equivalents, receivables, other current assets, payables, and short-term borrowings approximate their fair value due to their short maturities.

b. Fair value of financial instruments measured at amortized cost

The Group considers that the carrying amounts of financial assets and liabilities that are measured at amortized cost approximate their fair values.

c. Fair value hierarchy of financial instruments

(a) Definition of fair value hierarchy

The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined 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: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

(b) Fair value hierarchy information

The Group did not have financial instruments such as financial assets classified at fair value through profit or loss and consequently fair value hierarchy information was not disclosed.

G. The information on the foreign-currency financial assets and liabilities with significant effect

June 30, 2026					December 31, 2025					
Foreign currency amount (In thousands)		Exchange rate	NTD	Foreign currency amount (In thousands)		Exchange rate	NTD			
<u>Financial assets</u>										
Monetary items:										
USD	\$	13,153	31.8500	\$	418,931	\$	9,430	31.4300	\$	296,387
EUR		169	36.2900		6,121		131	36.9000		4,820
RMB		26,370	4.6763		123,316		30,435	4.4716		136,094
VND		348,085,550	0.0012		421,184		454,083,354	0.0012		544,900
<u>Financial liabilities</u>										
Monetary items:										
USD	\$	23	31.8500	\$	726	\$	62	31.4300	\$	1,939
RMB		11,910	4.6763		55,694		13,079	4.4716		58,486
VND		88,124,981	0.0012		106,631		83,878,990	0.0012		100,655
June 30, 2025										
Financial assets				Financial liabilities						
Foreign currency amount (In thousands)		Exchange rate	NTD	Foreign currency amount (In thousands)		Exchange rate	NTD			
Monetary items:										
USD	\$	13,432	29.3000	\$	393,558	\$	38	29.3000	\$	1,115
EUR		98	34.3500		3,355		-	34.3500		-
RMB		26,727	4.0930		109,393		8,882	4.0930		36,352
VND		352,961,487	0.0011		395,317		80,471,972	0.0011		90,129

7. Related-Party Transactions

(1) Names of related parties and relationship with the Group:

Related party name	Related party categories
GSK Corporation	Other related party
GSK Autotech & Furniture Inc.	Other related party
Shin San Shing Co., Ltd.	Other related party
GSK Intek Co., Ltd.	Other related party
Medcare Manufacturing Inc.	Other related party
GSK Technologies Inc.	Other related party
Uni Auto Parts Manufacture Co., Ltd.	Other related party
Shanghai Yuxing Trading Co., Ltd.	Other related party

(2) Significant related party transactions:

A. Purchases of goods

Items	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Other related parties	\$ 3,890	\$ 7,685	\$ 7,358	\$ 13,887

The purchases prices and payment terms to related parties were not significantly different from those of purchases to third parties. The payment terms for purchases to related parties were 2 months. The payments were paid by remittance.

B. Operating revenue

Items	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Other related parties				
GSK Corporation	\$ 56,288	\$ 83,047	\$ 111,764	\$ 155,883
GSK Technologies	56,202	62,755	118,142	146,168
Others	10,183	10,240	18,605	17,333
Total	\$ 122,673	\$ 156,042	\$ 248,511	\$ 319,384

The sales prices and collection terms to related parties were not significantly different from those of sales to third parties. The payments were collected by 2-4 month promissory notes or remittance.

C. Notes receivable / payable and accounts receivable / payable (no interest bearing)

a. Accounts receivable

Items	June 30, 2026	December 31, 2025	June 30, 2025
Other related parties			
GSK Technologies	\$ 38,546	\$ 39,315	\$ 44,304
GSK Corporation	35,722	45,306	59,794
Others	10,973	11,986	11,367
Less: Loss allowance	(9)	-	-
Total	\$ 85,232	\$ 96,607	\$ 115,465

b. Other receivables

Other related parties	\$ 234	\$ -	\$ 467
-----------------------	--------	------	--------

c. Accounts payable

Other related parties	\$ 2,642	\$ 3,839	\$ 3,612
-----------------------	----------	----------	----------

D. Others

For the six months ended June 30, 2026 and 2025, the Group's other transactions to its related parties are summarized as follows:

Items	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Agency fee	\$ 77	\$ 88	\$ 182	\$ 194
Manufacturing overhead - outsourced	185	251	642	690

E. Compensation of key management personnel

Items	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Short-term employee benefits	\$ 2,858	\$ 2,137	\$ 5,666	\$ 6,173

For details of total compensation paid to the key management personnel, please refer to the annual report of the Company.

8. Pledged Assets: None

9. Significant Contingent Liabilities and Unrecognized Commitments

- (1) As of June 30, 2026, amounts available under letters of credit for import: None
- (2) As of June 30, 2026, capital expenditures contracted for but not yet incurred:

Items	Contract target	Counterparty	Total contract amount (In thousands)	Accumulated payment as at June 30, 2026 (In thousands)
Prepayments for business facilities	PU raw material pre-cooling tank	Chaang Piin Industry Co., Ltd.	USD 82.17	784

10. Significant Disaster Loss: None

11. Significant Subsequent Events:

On July 28, 2026, the Company's Board of Directors approved the disposal of 100% equity interest in Suzhou Fine Blanking & Tool Co., Ltd. held by the Company's subsidiary, Superiority Enterprise Corp., for a consideration of USD 11,250 thousand. The Company expects to enter into the disposal agreement and complete the equity transfer procedures in the near future. Based on the carrying amount of shareholders' equity of Suzhou Fine Blanking & Tool Co., Ltd. as of June 30, 2026, the estimated gain on disposal is approximately USD 1,912 thousand, equivalent to approximately NTD 60,897 thousand.

The Company holds a 100% equity interest in its subsidiary, Superiority Enterprise Corp. Upon completion of the disposal of the 100% equity interest in Suzhou Fine Blanking & Tool Co., Ltd., the Company will recognize a gain on disposal of approximately NTD 60,897 thousand, and earnings per share are expected to increase by approximately NTD 0.8.

The revenue of Suzhou Fine Blanking & Tool Co., Ltd. for the first half of 2026 amounted to NTD 87,238 thousand, representing only 6.93% of the consolidated revenue of NTD 1,258,961 thousand. The disposal of the equity interest in Suzhou Fine Blanking & Tool Co., Ltd. is not expected to have a significant impact on the Company's operations or its ability to continue as a going concern.

12. Others: None

13. Supplementary Disclosures

- (1) Information on significant transactions
 - A. Loans to others: None

- B. Provision of endorsements and guarantees to others: None
- C. Holding of marketable securities at the end of the periods: None
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$100 million or 20% of the Company's paid-in capital: Please refer to table 1.
- E. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: None
- F. Significant intercompany transactions during the reporting periods: Please refer to table 2.

(2) Information on investees

Relevant information of investees over which the Company has direct or indirect significant influence or control: Please refer to table 3.

(3) Information on investments in mainland China

- A. The name of the investee in mainland China, the main businesses and products, its issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits/losses of investee, ending balance, amount received as dividends from the investee, and the limitation on investee: Please refer to table 4.
- B. Significant direct or indirect transactions with the investee, its prices and terms of payment, unrealized gain or loss, and other related information which is helpful to understand the impact of investment in mainland China on financial reports: None

14. Segment Information

Information reported to the chief operating decision-maker for the purpose of resource allocation and assessment of segment performance focuses on location of operations. The ways of manufacturing and marketing strategy are the same; however, the Group manages its business by location due to regional difference from culture, economy environment and so on. Specifically, the Group's reportable segments were as follows:

Domestic Operations Department – Design, research and development, production, manufacturing and sales of metal stamping parts for automobiles, motorcycles and bicycles.

Overseas Operations Department – Manufacturing, processing and production of various products and precision stamping parts for automobiles, motorcycles and special vehicles.

The Group's segment profit (loss) is measured with the operating profit (loss) before tax, which is used as a basis for the Group in assessing the performance of the operating segments.

(1) Operating segments information

For the six months ended June 30, 2026	Domestic operations department	Overseas operations department	Adjustment and elimination	Total
Revenue				
Revenue from external customers	\$ 415,146	\$ 843,815	\$ -	\$ 1,258,961
Intersegment revenues	5,611	11,880	(17,491)	-
Total revenue	420,757	855,695	(17,491)	1,258,961
Segment profit or loss	55,010	122,100	(45,515)	131,595
Segment assets	2,690,969	1,129,405	(623,537)	3,196,837
For the six months ended June 30, 2025	Domestic operations department	Overseas operations department	Adjustment and elimination	Total
Revenue				
Revenue from external customers	\$ 501,816	\$ 796,179	\$ -	\$ 1,297,995
Intersegment revenues	4,527	3,029	(7,556)	-
Total revenue	506,343	799,208	(7,556)	1,297,995
Segment profit or loss	44,279	142,697	(59,663)	127,313
Segment assets	2,644,697	1,040,941	(589,169)	3,096,469

Table 1: Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid in capital or more

In Thousands of NTD

For the six months ended June 30, 2026

Name of company	Related party	Nature of relationship	Transaction details				Abnormal Transaction		Notes/Accounts payable or receivable		Note
			Purchase/ Sale	Amount	% of total	Payment terms	Unit price	Payment terms	Ending balance	% of total	
Fine Blanking & Tool Co., Ltd.	GSK Corporation	The entity's chairman is the same as the Company's	Sale	111,764	8.88%	60 days	Normal	Normal	35,722	8.00%	
Fine Blanking & Tool Co., Ltd. GSK Vietnam	GSK Technologies Inc.	The entity's chairman is the Company's director	Sale	118,142	9.38%	60 days	Normal	Normal	38,546	8.63%	

Table 2: Significant intercompany transactions during the reporting periods

In Thousands of NTD
For the six months ended June 30, 2026

No. (Note 1)	Name of company	Counterparty	Nature of relationship (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of consolidated net revenue or total assets (Note 3)
0	Fine Blanking & Tool Co., Ltd.	GSK Vietnam Co., Ltd.	1	Operating revenue	5,611	Normal trading terms	0.45%
0	Fine Blanking & Tool Co., Ltd.	GSK Vietnam Co., Ltd.	1	Accounts receivable	3,596	Normal trading terms	0.11%
0	Fine Blanking & Tool Co., Ltd.	Suzhou Fine Blanking & Tool Co., Ltd.	1	Equipment sales	1,672	Normal trading terms	0.13%
0	Fine Blanking & Tool Co., Ltd.	Suzhou Fine Blanking & Tool Co., Ltd.	1	Accounts receivable	1,800	Normal trading terms	0.06%
1	GSK Vietnam Co., Ltd.	Fine Blanking & Tool Co., Ltd.	2	Operating revenue	6,720	Normal trading terms	0.53%
1	GSK Vietnam Co., Ltd.	Fine Blanking & Tool Co., Ltd.	2	Accounts receivable	851	Normal trading terms	0.03%
2	Suzhou Fine Blanking & Tool Co., Ltd.	GSK Vietnam Co., Ltd.	3	Operating revenue	4,914	Normal trading terms	0.39%
2	Suzhou Fine Blanking & Tool Co., Ltd.	GSK Vietnam Co., Ltd.	3	Accounts receivable	4,023	Normal trading terms	0.13%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

- (1) 0 represents the parent company.
- (2) Subsidiaries are sorted in a numerical order starting from 1.

Note 2: Transactions labeled as follows:

- (1) represents transactions between the parent company and its subsidiaries.
- (2) represents transactions between the subsidiaries and the parent company.
- (3) represents transactions between subsidiaries.

Note 3: The percentage calculation is based on the consolidated total operating revenue or total assets. For balance sheet items, each item's end-of-period balance is shown as a percentage to the consolidated total assets as of the end of the period. For profit or loss items, cumulative amounts are shown as percentages to the consolidated total operating revenue for the period.

Note 4: The Company shall determine whether the significant transactions be included in this table based on the principle of materiality.

Table 3: Names, locations, and related information of investees (excluding information on investment in mainland China)

In Thousands of NTD
For the six months ended June 30, 2026

Name of investor	Name of investee (Note 1, 2)	Location	Main businesses and products	Original investment amount		Balance as of June 30, 2026			Net income (losses) of investee (Note 2(2))	Share of profits/losses (Note 2(3))	Note
				June 30, 2026	December 31, 2025	Shares	Percentage of ownership	Carrying value			
Fine Blanking & Tool Co., Ltd.	Propitious International Inc.	BVI	Investment	347,044	347,044	-	55.75%	365,511	102,284	57,130	Transactions on the left have been eliminated while preparing the consolidated financial statements.
Fine Blanking & Tool Co., Ltd.	Superiority Enterprise Corp.	BVI	investment and import/export trade	391,965	391,965	-	100.00%	257,553	(11,589)	(11,501)	Transactions on the left have been eliminated while preparing the consolidated financial statements.
Propitious International Inc.	GSK Vietnam Co., Ltd.	Vietnam	Manufacturing, processing and production of products and precision stamping parts for automobiles, motorcycles and special vehicles, and coating and processing	606,351	606,351	-	100.00%	616,958	101,845	101,845	Transactions on the left have been eliminated while preparing the consolidated financial statements.

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

- (1) The columns of "Name of investee", "Location", "Main business and products", "Original investment amount" and "Shares held as of June 30, 2026" should fill orderly in the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the "Note" column.
- (2) The "Net income (losses) of investee" column should fill in amount of net profit (loss) of the investee for this period.
- (3) The "Share of profits/losses" column should fill in the Company (public company) recognized investment income (loss) of its direct subsidiary and recognized investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognized investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognized by regulations.

Table 4: Information on investment in mainland China

In Thousands of NTD												
For the six months ended June 30, 2026												
Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2026	Investment flows		Accumulated outflow of investment from Taiwan as of June 30, 2026	Net income (losses) of investee	Percentage of ownership	Share of profits/losses (Note 2(2)B)	Carrying amount as of June 30, 2026	Accumulated inward remittance of earnings in current period
					Outflow	Inflow						
Suzhou Fine Blanking & Tool Co., Ltd.	Products and precision stamping parts for automobiles and special vehicles, and production and sales of other transportation equipment	391,965	Note 1(2) Investment through Superiority Enterprise Corp.	391,965	-	-	391,965	(11,591)	100%	(11,591)	260,394	-

49

Accumulated investment in mainland China as of June 30, 2026	Investment amounts authorized by Investment Commission, MOEA	Upper Limit on Investment
391,965	395,904	1,483,222

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

- (1) Direct investment in mainland China.
- (2) Indirectly investment in mainland China through companies registered in a third region (Please specify the name of the company in third region).
- (3) Other methods.

Note 2: In the "Share of profits/losses" column:

- (1) It should be indicated if the investee was still in the incorporation arrangement and had not yet any profit during this period.
- (2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:
 - A.The financial statements that are audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.
 - B.The financial statements were audited by the auditors of the parent company.
 - C.Others.

Note 3: The numbers in this table are expressed in NTD.