

**TMP STEEL CORPORATION AND
SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2026 AND 2025**

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of TMP Steel Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of TMP Steel Corporation and its subsidiary (the “Group”) as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three-month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with Standards on Review Engagements 2410, “Review of Financial Information Performed by the Independent Auditor of the Entity” of the Republic of China. 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 causes 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 March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Tien, Chung-Yu
Independent Accountants
Hsu, Huei-Yu

PricewaterhouseCoopers, Taiwan
Republic of China
May 8, 2026

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors’ report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

TMP STEEL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars)

Assets			Notes		March 31, 2026		December 31, 2025		March 31, 2025		
					AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets											
1100	Cash and cash equivalents	6(1)	\$	337,099	8	\$	282,172	7	\$	191,245	4
1110	Financial assets at fair value	6(2)									
	through profit or loss - current			27,679	1		30,589	1		9,323	-
1136	Financial assets at amortised cost -	6(1)(3) and 8									
	current			46,000	1		80,500	2		80,000	2
1150	Notes receivable, net	6(4) and 12		115,661	3		101,440	2		142,768	3
1170	Accounts receivable, net	6(4) and 12		755,851	19		959,334	22		1,021,404	23
1180	Accounts receivable - related	6(4), 7 and 12									
	parties			75,234	2		121,895	3		13,194	-
1200	Other receivables	7		1,937	-		3,535	-		1,192	-
130X	Inventories	6(5)		736,631	18		729,392	17		1,289,420	28
1410	Prepayments	6(6) and 7		24,176	1		30,974	1		66,718	2
11XX	Total current assets			2,120,268	53		2,339,831	55		2,815,264	62
Non-current assets											
1510	Financial assets at fair value	6(2)									
	through profit or loss - non-current			257,300	6		247,800	6		226,250	5
1517	Financial assets at fair value	6(7)									
	through other comprehensive										
	income - non-current			184,993	5		203,175	5		81,690	2
1600	Property, plant and equipment	6(9), 7 and 8		938,541	24		948,838	22		831,796	18
1755	Right-of-use assets	6(10)		447,526	11		456,465	11		530,972	12
1780	Intangible assets			15,323	-		16,253	-		703	-
1840	Deferred income tax assets	6(27)		2,656	-		2,630	-		2,630	-
1915	Prepayments for equipment			10,992	-		10,378	-		49,825	1
1920	Guarantee deposits paid			24,558	1		24,558	1		26,027	-
15XX	Total non-current assets			1,881,889	47		1,910,097	45		1,749,893	38
1XXX	Total assets		\$	4,002,157	100	\$	4,249,928	100	\$	4,565,157	100

(Continued)

TMP STEEL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			March 31, 2026		December 31, 2025		March 31, 2025	
			Notes	AMOUNT	%	AMOUNT	%	AMOUNT
Current liabilities								
2100	Short-term borrowings	6(11) and 8	\$ 288,346	7	\$ 440,000	10	\$ 466,933	10
2110	Short-term notes and bills payable	6(12)	-	-	79,908	2	-	-
2130	Contract liabilities - current	6(20)	194,916	5	180,097	4	307,185	7
2150	Notes payable		1,996	-	4,752	-	5,684	-
2170	Accounts payable		1,504	-	1,402	-	1,309	-
2180	Accounts payable - related parties	7	169,326	4	114,523	3	251,506	6
2200	Other payables	6(13)(18) and 7	204,656	5	112,051	3	296,377	6
2230	Current income tax liabilities	6(27)	17,344	-	14,389	-	22,064	-
2280	Lease liabilities - current		36,180	1	35,679	1	27,919	1
2320	Long-term liabilities, current portion	6(14) and 8	66,797	2	66,748	2	60,845	1
2399	Other current liabilities		621	-	670	-	503	-
21XX	Total current liabilities		981,686	24	1,050,219	25	1,440,325	31
Non-current liabilities								
2540	Long-term borrowings	6(14) and 8	403,494	10	420,211	10	415,571	9
2580	Lease liabilities - non-current		434,073	11	437,639	10	488,969	11
2640	Net defined benefit liabilities - non-current		1	-	3	-	1	-
25XX	Total non-current liabilities		837,568	21	857,853	20	904,541	20
2XXX	Total liabilities		1,819,254	45	1,908,072	45	2,344,866	51
Share capital								
3110	Common stock	6(16)	999,561	25	999,561	24	999,561	22
3200	Capital surplus	6(17)	910,034	23	910,034	21	910,034	20
	Retained earnings	6(18)						
3310	Legal reserve		94,491	2	94,491	2	71,407	2
3320	Special reserve		5,110	-	5,110	-	5,110	-
3350	Unappropriated retained earnings		245,594	6	334,660	8	251,889	5
3400	Other equity interest	6(7)(19)	(13,847)	-	4,335	-	(17,710)	-
3500	Treasury shares	6(16)	(58,040)	(1)	(6,335)	-	-	-
3XXX	Total equity		2,182,903	55	2,341,856	55	2,220,291	49
Significant contingent liabilities and unrecognised contract commitments		9						
3X2X	Total liabilities and equity		\$ 4,002,157	100	\$ 4,249,928	100	\$ 4,565,157	100

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

TMP STEEL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

			Three months ended March 31			
			2026		2025	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(20) and 7		\$ 1,513,648	100	\$ 1,939,895	100
5000 Operating costs	6(5)(10)(15)(25)(26) and 7		(1,425,149)	(94)	(1,836,947)	(95)
5900 Net operating margin			88,499	6	102,948	5
Operating expenses	6(10)(15)(25)(26), 7 and 12					
6100 Selling expenses			(39,696)	(3)	(45,271)	(2)
6200 General and administrative expenses			(18,738)	(1)	(21,915)	(1)
6000 Total operating expenses			(58,434)	(4)	(67,186)	(3)
6900 Operating profit			30,065	2	35,762	2
Non-operating income and expenses						
7100 Interest income	6(21)		409	-	456	-
7010 Other income	6(22) and 7		892	-	20,412	1
7020 Other gains and losses	6(2)(10)(23)		7,914	-	5,732	-
7050 Finance costs	6(9)(10)(24)		(6,598)	-	(5,575)	-
7000 Total non-operating income and expenses			2,617	-	21,025	1
7900 Profit before income tax			32,682	2	56,787	3
7950 Income tax expense	6(27)		(4,804)	-	(10,184)	(1)
8200 Net income for the period			\$ 27,878	2	\$ 46,603	2
Other comprehensive income						
Components of other comprehensive income (loss) that will not be reclassified to profit or loss						
8316 Unrealised gains or losses on valuation of investments in equity instruments measured at fair value through other comprehensive income	6(7)(19)		(\$ 18,182)	(1)	(\$ 29,750)	(1)
8300 Total other comprehensive loss for the period			(\$ 18,182)	(1)	(\$ 29,750)	(1)
8500 Total comprehensive income for the period			\$ 9,696	1	\$ 16,853	1
Profit attributable to:						
8610 Owners of parent			\$ 27,878	2	\$ 46,603	2
Comprehensive income attributable to:						
8710 Owners of parent			\$ 9,696	1	\$ 16,853	1
Earnings per share (in dollars)	6(28)					
9750 Basic			\$ 0.28		\$ 0.47	
9850 Diluted			\$ 0.28		\$ 0.47	

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

TMP STEEL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent								
Notes	Share capital - common stock	Capital surplus	Retained Earnings			Other Equity Interest	Treasury shares	Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income		
For the three-month period ended March 31, 2025								
Balance at January 1, 2025	\$ 999,561	\$ 910,034	\$ 71,407	\$ 5,110	\$ 385,207	\$ 12,040	\$ -	\$ 2,383,359
Net income for the three-month period ended March 31, 2025	-	-	-	-	46,603	-	-	46,603
Other comprehensive loss for the three-month period ended March 31, 2025	-	-	-	-	-	(29,750)	-	(29,750)
Total comprehensive income (loss) for the three-month period ended March 31, 2025	-	-	-	-	46,603	(29,750)	-	16,853
Distribution of 2024 earnings:								
Cash dividends	6(18)	-	-	-	(179,921)	-	-	(179,921)
Balance at March 31, 2025	\$ 999,561	\$ 910,034	\$ 71,407	\$ 5,110	\$ 251,889	(\$ 17,710)	\$ -	\$ 2,220,291
For the three-month period ended March 31, 2026								
Balance at January 1, 2026	\$ 999,561	\$ 910,034	\$ 94,491	\$ 5,110	\$ 334,660	\$ 4,335	(\$ 6,335)	\$ 2,341,856
Net income for the three-month period ended March 31, 2026	-	-	-	-	27,878	-	-	27,878
Other comprehensive loss for the three-month period ended March 31, 2026	-	-	-	-	-	(18,182)	-	(18,182)
Total comprehensive income (loss) for the three-month period ended March 31, 2025	-	-	-	-	27,878	(18,182)	-	9,696
Distribution of 2025 earnings:								
Cash dividends	6(18)	-	-	-	(116,944)	-	-	(116,944)
Purchase of treasury stocks	6(16)	-	-	-	-	-	(51,705)	(51,705)
Balance at March 31, 2026	\$ 999,561	\$ 910,034	\$ 94,491	\$ 5,110	\$ 245,594	(\$ 13,847)	(\$ 58,040)	\$ 2,182,903

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

TMP STEEL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31	
		2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 32,682	\$ 56,787
Adjustments			
Adjustments to reconcile profit (loss)			
Gain on financial assets at fair value through profit or loss	6(2)(23)	(7,710)	(5,864)
Depreciation	6(9)(10)(25)	24,723	23,635
Property, plant and equipment transferred to expenses	6(9)	19	-
Gain from lease modification	6(10)(23)	(14)	-
Amortisation	6(25)	930	93
Interest income	6(21)	(409)	(456)
Interest expense	6(24)	6,598	5,575
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		(14,221)	(16,062)
Accounts receivable		203,483	31,951
Accounts receivable - related parties		46,661	(8,630)
Other receivables		1,598	426
Inventories		(7,239)	(277,763)
Prepayments		6,798	7,391
Changes in operating liabilities			
Contract liabilities - current		14,819	40,470
Notes payable		(2,756)	942
Accounts payable		102	266
Accounts payable - related parties		54,803	(65,062)
Other payables		(24,271)	(14,846)
Other current liabilities		(49)	13
Net defined benefit liabilities - non-current		(2)	1
Cash inflow (outflow) generated from operations		336,545	(221,133)
Interest received		409	456
Interest paid		(6,810)	(6,803)
Income tax paid		(1,875)	(43)
Net cash flows from (used in) operating activities		328,269	(227,523)

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TMP STEEL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31 2026	2025
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Decrease in financial assets at amortised cost - current		\$ 71,000	\$ -
Increase in financial assets at amortised cost - current		(36,500)	(25,000)
Acquisition of financial assets at fair value through profit or loss - current		-	(8,809)
Proceeds from disposal of financial assets at fair value through profit or loss - current		1,120	-
Cash paid for acquisition of property, plant and equipment	6(29)	(2,961)	(72,675)
Interest paid for acquisition of property, plant and equipment	6(9)(24)(29)	(212)	(1,228)
Increase in prepayment for equipment		(614)	(1,395)
Increase in guarantee deposits paid		-	(434)
Net cash flows from (used in) investing activities		31,833	(109,541)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(30)	408,346	350,000
Decrease in short-term borrowings	6(30)	(560,000)	(199,999)
Decrease in short-term notes and bills payable	6(30)	(79,908)	-
Payment of lease liabilities	6(30)	(5,240)	(6,694)
Increase in long-term borrowings	6(30)	-	85,000
Decrease in long-term borrowings	6(30)	(16,668)	(12,452)
Purchase of treasury stocks	6(16)	(51,705)	-
Net cash flows (used in) from financing activities		(305,175)	215,855
Net increase (decrease) in cash and cash equivalents		54,927	(121,209)
Cash and cash equivalents at beginning of period	6(1)	282,172	312,454
Cash and cash equivalents at end of period	6(1)	\$ 337,099	\$ 191,245

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

TMP STEEL CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

- (1) TMP Steel Corporation (the “Company”) was incorporated on May 16, 1984 as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C). The Company and its subsidiary (the “Group”) are engaged in the wholesale of hardware and building materials and the manufacture and sales of its components.
- (2) The Company used to be named Taipei MultiPower Electronics Co., Ltd., then changed its name to Taipei MultiPower International Co., Ltd., as approved by the shareholders during their meeting on June 15, 2010; On June 29, 2016, the shareholders during their meeting has approved to again change the Company’s name to TMP Steel Corporation.
- (3) The common shares of the Company have been listed on the Taipei Exchange since September 2003.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorised for issuance by the Board of Directors on May 8, 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[®]”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2026 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board (“IASB”)</u>
Specific provisions of Amendments to IFRS 9 and IFRS 7, ‘Amendments to the classification and measurement of financial instruments’	January 1, 2026
Amendments 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) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

None.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by IASB</u>
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 18, 'Presentation and disclosure in financial statements'	January 1, 2027 (Note)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Amendments to IAS 21, 'Translation to a Hyperinflationary Presentation Currency'	January 1, 2027

(Note) The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.

Except for IFRS 18, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

IFRS 18, 'Presentation and disclosure in financial statements':

IFRS 18 replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Except for the compliance statement, basis of preparation, basis of consolidation and the additional descriptions described below, the other principal accounting policies adopted are in agreement with Note 4 of the consolidated financial statements for the year ended December 31, 2025. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, 'Interim financial reporting' that came into effect as endorsed by the FSC.

B. These financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2025.

(2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets and financial at fair value through other comprehensive income.
 - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with “IFRSs” requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5, ‘CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY’.

(3) Basis of consolidation

- A. The basis for the preparation of these consolidated financial statements is consistent with the basis applied in the preparation of the consolidated financial statements for the year ended December 31, 2025.
- B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
TMP Steel Corporation	Taiwan Steel Material Corp.	Wholesale of hardware and sale	100.00	100.00	100.00	—

- C. Subsidiaries not included in the consolidated financial statements: None.
- D. Adjustments for subsidiaries with different balance sheet dates: None.
- E. Significant restrictions: None.
- F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Employee benefits

Defined benefit plans cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income taxes

The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

No significant changes during the period. For detailed information, refer to Note 5 in the consolidated financial statements for the year ended December 31, 2025.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Cash:			
Cash on hand	\$ 226	\$ 355	\$ 219
Checking deposits and demand deposits	<u>281, 873</u>	<u>281, 817</u>	<u>191, 026</u>
	<u>282, 099</u>	<u>282, 172</u>	<u>191, 245</u>
Cash equivalents:			
Time deposit	<u>55, 000</u>	<u>—</u>	<u>—</u>
	<u>\$ 337, 099</u>	<u>\$ 282, 172</u>	<u>\$ 191, 245</u>

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. Details of the Group's cash and cash equivalents pledged to others as collateral (listed as 'Financial assets at amortised cost - current') as of March 31, 2026, December 31, 2025 and March 31, 2025 are provided in Note 8, 'PLEDGED ASSETS'.

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

<u>Assets</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Current items:			
Financial assets held for trading			
Listed and emerging stocks	\$ 34, 224	\$ 35, 679	\$ 8, 809
Valuation adjustments	<u>(6, 545)</u>	<u>(5, 090)</u>	<u>514</u>
	<u>\$ 27, 679</u>	<u>\$ 30, 589</u>	<u>\$ 9, 323</u>
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed and emerging stocks - private placement	\$ 36, 000	\$ 36, 000	\$ 36, 000
Valuation adjustments	<u>221, 300</u>	<u>211, 800</u>	<u>190, 250</u>
	<u>\$ 257, 300</u>	<u>\$ 247, 800</u>	<u>\$ 226, 250</u>

A. The Group recognised net gain of \$7,710 and \$5,864 (listed as "Other gains and losses") for the three-month periods ended March 31, 2026 and 2025, respectively.

B. In November 2023, the Company subscribed 5,000 thousand shares of King House Co., Ltd. through private placement. The private placement shares shall not be transferred within three years.

C. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group has no financial assets at fair value through profit or loss pledged to others.

(3) Financial assets at amortised cost - current

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Demand deposits pledged	<u>\$ 46,000</u>	<u>\$ 80,500</u>	<u>\$ 80,000</u>

A. The Group recognised interest income of \$— for the three-month periods ended March 31, 2026 and 2025.

B. As of March 31, 2026, December 31, 2025 and March 31, 2025, without taking into account any other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was the carrying amount.

C. As of March 31, 2026, December 31, 2025 and March 31, 2025, the financial assets at amortised cost pledged to others as collateral are provided in Note 8, 'PLEDGED ASSETS'.

D. Information about credit risk of financial assets at amortised cost is provided in Note 12(2), 'Financial instruments'.

(4) Notes and accounts receivable, net

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Notes receivable	\$ 115,674	\$ 101,453	\$ 142,781
Less: Allowance for uncollectible accounts	(13)	(13)	(13)
	<u>\$ 115,661</u>	<u>\$ 101,440</u>	<u>\$ 142,768</u>
Accounts receivable	\$ 778,780	\$ 982,263	\$ 1,044,457
Less: Allowance for uncollectible accounts	(22,929)	(22,929)	(23,053)
	<u>\$ 755,851</u>	<u>\$ 959,334</u>	<u>\$ 1,021,404</u>

A. The ageing analysis of notes receivable and accounts receivable (including related parties) that were past due but not impaired is as follows:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Notes receivable:			
During the credit period	<u>\$ 115,674</u>	<u>\$ 101,453</u>	<u>\$ 142,781</u>
Accounts receivable:			
During the credit period	\$ 817,843	\$ 988,236	\$ 1,030,515
Overdue 1 to 90 days	14,138	93,980	4,939
Overdue 91 to 180 days	91	134	1
Overdue 181 to 270 days	134	43	57
Overdue 271 to 365 days	43	73	16
Overdue over 365 days	<u>21,765</u>	<u>21,692</u>	<u>22,123</u>
	<u>\$ 854,014</u>	<u>\$ 1,104,158</u>	<u>\$ 1,057,651</u>

The above ageing analysis was based on days overdue.

- B. As of March 31, 2026, December 31, 2025 and March 31, 2025, notes receivable and accounts receivable were all from contracts with customers. As of January 1, 2025, the balance of receivables from contracts with customers (including related parties) amounted to \$1,207,691.
- C. Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk was the carrying amount.
- D. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group did not hold any collateral as security for notes and accounts receivable.
- E. Information relating to credit risk of notes and accounts receivable is provided in Note 12(2), 'Financial instruments'.

(5) Inventories

March 31, 2026			
		Allowance for inventory valuation losses	Book value
	Cost		
Raw materials	\$ 616,336	\$ –	\$ 616,336
Work in progress	17,407	–	17,407
Finished goods	102,888	–	102,888
	<u>\$ 736,631</u>	<u>\$ –</u>	<u>\$ 736,631</u>
December 31, 2025			
		Allowance for inventory valuation losses	Book value
	Cost		
Raw materials	\$ 627,608	\$ –	\$ 627,608
Work in progress	22,143	–	22,143
Finished goods	79,641	–	79,641
	<u>\$ 729,392</u>	<u>\$ –</u>	<u>\$ 729,392</u>
March 31, 2025			
		Allowance for inventory valuation losses	Book value
	Cost		
Raw materials	\$ 1,210,218	\$ –	\$ 1,210,218
Work in progress	44	–	44
Finished goods	79,158	–	79,158
	<u>\$ 1,289,420</u>	<u>\$ –</u>	<u>\$ 1,289,420</u>

The cost of inventories recognised as expense for the period:

	For the three-month periods ended March 31,	
	2026	2025
Cost of goods sold	\$ 1, 428, 224	\$ 1, 839, 842
Sales of scraps	(3, 075)	(2, 895)
	<u>\$ 1, 425, 149</u>	<u>\$ 1, 836, 947</u>

(6) Prepayments

	March 31, 2026	December 31, 2025	March 31, 2025
Residual tax credit	\$ 14, 772	\$ 24, 023	\$ 51, 604
Prepayments to suppliers	2, 144	1, 073	–
Others	7, 260	5, 878	15, 114
	<u>\$ 24, 176</u>	<u>\$ 30, 974</u>	<u>\$ 66, 718</u>

(7) Financial assets at fair value through other comprehensive income - non-current

Items	March 31, 2026	December 31, 2025	March 31, 2025
Equity instruments			
Listed and emerging stocks	\$ 99, 440	\$ 99, 440	\$ –
Listed and emerging stocks - private placement	<u>99, 400</u>	<u>99, 400</u>	<u>99, 400</u>
	198, 840	198, 840	99, 400
Valuation adjustment	(13, 847)	4, 335	(17, 710)
	<u>\$ 184, 993</u>	<u>\$ 203, 175</u>	<u>\$ 81, 690</u>

A. The Group has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income.

B. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	For the three-month periods ended March 31,	
	2026	2025
Fair value change recognised in other comprehensive income (listed as “Other equity interest”)	(\$ 18, 182)	(\$ 29, 750)

C. In December 2024, the Company subscribed 7,000 thousand shares of TSG Development Co., Ltd. (formerly Data Van International Corp.) through private placement. The private placement shares shall not be transferred within three years.

D. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group has no financial assets at fair value through other comprehensive income pledged to others.

(8) Investments accounted for using equity method

A. Details of investment accounted for using equity method are as follows:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Korea Peibo Electronics Co., Ltd.	\$ 1,058	\$ 1,058	\$ 1,058
Less: Accumulated impairment	(1,058)	(1,058)	(1,058)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

B. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group has no investment accounted for using equity method pledged to others.

C. For the three-month periods ended March 31, 2026 and 2025, the Group did not recognise impairment loss or gain on reversal of impairment related to investments accounted for using equity method. As of March 31, 2026, December 31, 2025 and March 31, 2025, the carrying amount of accumulated impairment loss of investments accounted for using equity method was both \$1,058.

(9) Property, plant and equipment

	Land	Buildings	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements	Construction in progress and equipment to be inspected	Total
<u>At January 1, 2026</u>								
Cost	\$ 103,606	\$ 406,420	\$ 263,468	\$ 2,039	\$ 42,149	\$ 90,684	\$ 180,830	\$1,089,196
Accumulated depreciation	—	(13,162)	(84,123)	(1,099)	(19,228)	(22,746)	—	(140,358)
	<u>\$ 103,606</u>	<u>\$ 393,258</u>	<u>\$ 179,345</u>	<u>\$ 940</u>	<u>\$ 22,921</u>	<u>\$ 67,938</u>	<u>\$ 180,830</u>	<u>\$ 948,838</u>
<u>For the three-month period ended March 31, 2026</u>								
At January 1	\$ 103,606	\$ 393,258	\$ 179,345	\$ 940	\$ 22,921	\$ 67,938	\$ 180,830	\$ 948,838
Additions	—	57	176	210	37	—	2,837	3,317
Transferred (Note)	—	—	—	—	—	81	(100)	(19)
Depreciation	—	(2,060)	(7,121)	(157)	(1,375)	(2,882)	—	(13,595)
Disposals - Cost	—	—	—	—	(4)	—	—	(4)
- Accumulated depreciation	—	—	—	—	4	—	—	4
At March 31	<u>\$ 103,606</u>	<u>\$ 391,255</u>	<u>\$ 172,400</u>	<u>\$ 993</u>	<u>\$ 21,583</u>	<u>\$ 65,137</u>	<u>\$ 183,567</u>	<u>\$ 938,541</u>
<u>At March 31, 2026</u>								
Cost	\$ 103,606	\$ 406,477	\$ 263,644	\$ 2,249	\$ 42,182	\$ 90,765	\$ 183,567	\$1,092,490
Accumulated depreciation	—	(15,222)	(91,244)	(1,256)	(20,599)	(25,628)	—	(153,949)
	<u>\$ 103,606</u>	<u>\$ 391,255</u>	<u>\$ 172,400</u>	<u>\$ 993</u>	<u>\$ 21,583</u>	<u>\$ 65,137</u>	<u>\$ 183,567</u>	<u>\$ 938,541</u>

(Note) Transferred to expenses.

	Land	Buildings	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements	Construction in progress and equipment to be inspected	Total
<u>At January 1, 2025</u>								
Cost	\$ 103,606	\$ 140,542	\$ 212,613	\$ 1,454	\$ 39,378	\$ 37,738	\$ 328,512	\$ 863,843
Accumulated depreciation	<u>–</u>	<u>(8,470)</u>	<u>(60,063)</u>	<u>(647)</u>	<u>(14,436)</u>	<u>(16,138)</u>	<u>–</u>	<u>(99,754)</u>
	<u>\$ 103,606</u>	<u>\$ 132,072</u>	<u>\$ 152,550</u>	<u>\$ 807</u>	<u>\$ 24,942</u>	<u>\$ 21,600</u>	<u>\$ 328,512</u>	<u>\$ 764,089</u>
<u>For the three-month period ended March 31, 2025</u>								
At January 1	\$ 103,606	\$ 132,072	\$ 152,550	\$ 807	\$ 24,942	\$ 21,600	\$ 328,512	\$ 764,089
Additions	–	84	7,457	–	991	1,491	66,938	76,961
Transferred (Note)	–	–	33,652	–	2,031	49,395	(83,959)	1,119
Depreciation	–	(730)	(5,847)	(76)	(1,337)	(2,383)	–	(10,373)
Disposals - Cost	–	–	(149)	–	(360)	(2,839)	–	(3,348)
- Accumulated depreciation	<u>–</u>	<u>–</u>	<u>149</u>	<u>–</u>	<u>360</u>	<u>2,839</u>	<u>–</u>	<u>3,348</u>
At March 31	<u>\$ 103,606</u>	<u>\$ 131,426</u>	<u>\$ 187,812</u>	<u>\$ 731</u>	<u>\$ 26,627</u>	<u>\$ 70,103</u>	<u>\$ 311,491</u>	<u>\$ 831,796</u>
<u>At March 31, 2025</u>								
Cost	\$ 103,606	\$ 140,626	\$ 253,573	\$ 1,454	\$ 42,040	\$ 85,785	\$ 311,491	\$ 938,575
Accumulated depreciation	<u>–</u>	<u>(9,200)</u>	<u>(65,761)</u>	<u>(723)</u>	<u>(15,413)</u>	<u>(15,682)</u>	<u>–</u>	<u>(106,779)</u>
	<u>\$ 103,606</u>	<u>\$ 131,426</u>	<u>\$ 187,812</u>	<u>\$ 731</u>	<u>\$ 26,627</u>	<u>\$ 70,103</u>	<u>\$ 311,491</u>	<u>\$ 831,796</u>

(Note) \$1,119 was transferred from “Prepayments for equipment”.

- A. The Group's property, plant and equipment as of March 31, 2026, December 31, 2025 and March 31, 2025 were for its own use.
- B. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation are as follows:

	For the three-month period ended March 31, 2026	For the three-month period ended March 31, 2025
Amount capitalised	\$ 212	\$ 1, 228
Range of the interest rates for capitalisation	1. 52%	1. 92%

- C. Information about the property, plant and equipment that were pledged to others as collateral as of March 31, 2026, December 31, 2025 and March 31, 2025 is provided in Note 8, 'PLEDGED ASSETS'.

(10) Leasing arrangements - lessee

- A. The Group leases various assets including plant, buildings and transportation equipment. Rental contracts are typically made for periods of 3 to 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants.
- B. The carrying amount of right-of-use assets and the depreciation are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
	Carrying amount	Carrying amount	Carrying amount
Land	\$ 431, 633	\$ 435, 609	\$ 471, 386
Transportation equipment	3, 498	4, 329	6, 431
Buildings	12, 395	16, 527	53, 155
	<u>\$ 447, 526</u>	<u>\$ 456, 465</u>	<u>\$ 530, 972</u>
	For the three-month periods ended March 31,		
	2026	2025	
	Depreciation	Depreciation	
Land	\$ 6, 440	\$ 6, 926	
Transportation equipment	557	751	
Buildings	4, 131	5, 585	
	<u>\$ 11, 128</u>	<u>\$ 13, 262</u>	

- C. The additions and remeasurements to right-of-use assets were \$2,463 and \$7,414 for the three-month periods ended March 31, 2026 and 2025, respectively.

D. The information on profit and loss accounts relating to lease contracts is as follows:

	For the three-month periods ended March 31,	
	2026	2025
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 2,481	\$ 2,823
Expense on short-term lease contracts	1,872	2,302
Expense on leases of low-value assets	53	48
Gain from lease modification	(14)	–

E. The Group's total cash outflow for leases were \$9,646 and \$11,867 for the three-month periods ended March 31, 2026 and 2025, respectively.

(11) Short-term borrowings

Type of borrowings	March 31, 2026	Interest rate range	Collateral
Secured bank borrowings	\$ 288,346	2.1%~2.705%	Demand deposits
Type of borrowings	December 31, 2025	Interest rate range	Collateral
Secured bank borrowings	\$ 440,000	2.128%~2.445%	Demand deposits
Type of borrowings	March 31, 2025	Interest rate range	Collateral
Secured bank borrowings	\$ 466,933	2.128%~2.547%	Demand deposits

Information about interest expenses recognised in profit or loss for the three-month periods ended March 31, 2026 and 2025 is provided in Note 6(24), 'Finance costs'.

(12) Short-term notes and bills payable

Type of borrowings	December 31, 2025	Interest rate	Collateral
Commercial papers payable	\$ 80,000	2.638%	None
Less: Unamortized discount	(92)		
	\$ 79,908		

The Group had no short-term notes and bills payable as of March 31, 2026 and 2025.

A. Commercial papers payable were guaranteed by Mega International Commercial Bank for the short-term capital turnover.

B. For more information on interest expenses recognized in profit or loss by the Group for the three-month periods ended March 31, 2026 and 2025, refer to Note 6(24), 'Financial costs'.

(13) Other payables

	March 31, 2026	December 31, 2025	March 31, 2025
Dividend payable	\$ 116,944	\$ –	\$ 179,921
Accrued shipping fee	24,830	31,181	38,310
Accrued salaries and bonuses	23,154	31,665	30,308
Accrued manufacturing fees	9,946	12,631	16,049
Accrued employees' compensation and directors' remuneration	4,509	4,506	3,980
Taxes payable	1,935	1,274	498
Equipment payable	312	168	6,272
Others	23,026	30,626	21,039
	<u>\$ 204,656</u>	<u>\$ 112,051</u>	<u>\$ 296,377</u>

(14) Long-term borrowings

Type of borrowings	Borrowing period	Interest rate range	Collateral	March 31, 2026
Long-term bank borrowings				
Secured borrowings	2020. 2~2035. 9	1. 52%~2. 278%	Land and buildings	\$ 124,779
Unsecured borrowings	2024. 7~2034. 7	1. 92%	None	345,512
				470,291
Less: Current portion of long-term borrowings				(66,797)
				<u>\$ 403,494</u>
Type of borrowings	Borrowing period	Interest rate range	Collateral	December 31, 2025
Long-term bank borrowings				
Secured borrowings	2020. 2~2035. 9	1. 52%~2. 278%	Land and buildings	\$ 179,109
Unsecured borrowings	2024. 7~2034. 7	1. 92%	None	307,850
				486,959
Less: Current portion of long-term borrowings				(66,748)
				<u>\$ 420,211</u>
Type of borrowings	Borrowing period	Interest rate range	Collateral	March 31, 2025
Long-term bank borrowings				
Secured borrowings	2020. 2~2031. 12	2. 22%~2. 278%	Land and buildings	\$ 137,961
Unsecured borrowings	2024. 7~2034. 7	1. 92%	None	338,455
				476,416
Less: Current portion of long-term borrowings				(60,845)
				<u>\$ 415,571</u>

Information about interest expenses recognised in profit or loss for the three-month periods ended March 31, 2026 and 2025 is provided in Note 6(24), ‘Finance costs’.

(15) Pensions

- A. Starting from 2025, the Group will apply to transfer senior migrant workers who meet the salary and technical conditions and have worked in Taiwan for more than 6 years to intermediate skilled workers in the industry in accordance with the long-term retention of skilled foreign workers program of the Ministry of Labor. The intermediate skilled workers in the industry are subject to the Labor Standards Act. The Group has a defined benefit pension plan, covering all regular employees’ service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees’ monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Group would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Group will make contributions for the deficit by next March. For the aforementioned pension plan, the Group recognized pension costs of \$2 and \$1 for the three-month periods ended March 31, 2026 and 2025, respectively.
- B. Effective July 1, 2005, the Group has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Group contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plan of the Group were \$1,346 and \$1,196 for the three-month periods ended March 31, 2026 and 2025, respectively.

(16) Share capital

- A. Movements in the number of the Company’s ordinary shares outstanding are as follows (unit: in thousands of shares):

	For the three-month periods ended March 31,	
	2026	2025
Beginning balance	99,657	99,956
Purchase of treasury stocks	(2,401)	–
Ending balance	97,256	99,956

B. Treasury shares

- (a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows (unit: in thousands of shares):

Reason for reacquisition	For the three-month period ended March 31, 2026			
	At January 1	Increase	Decrease	At March 31
To be reissued to employees	299	2,401	—	2,700

The Group had no treasury shares as of March 31, 2025.

- (b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.
- (c) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.
- (d) For the three-month periods ended March 31, 2026 and 2025, the Company acquired treasury shares amounting to \$51,705 (2,401 thousand shares) and \$—, respectively.
- (e) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should be reissued to the employees within five years from the reacquisition date and shares not reissued within the five-year period are to be retired. Treasury shares to enhance the Company's credit rating and the stockholders' equity should be retired within six months of acquisition.
- (f) As of March 31, 2026, December 31, 2025 and March 31, 2025, the balance after repurchase and transfer of the Company's treasury shares amounted to \$58,040, \$6,335 and \$—, respectively.
- C. As of March 31, 2026, the Company's authorised capital was \$1,500,000, and the paid-in capital was \$999,561, consisting of 99,956 thousand shares of ordinary stock, with a par value of \$10 (in dollars) per share, which were issued in several installments. All proceeds from shares issued have been collected.

(17) Capital surplus

	For the three-month period ended March 31, 2026		
	Share premium	Others	Total
Beginning and ending balance	\$ 908,169	\$ 1,865	\$ 910,034
	For the three-month period ended March 31, 2025		
	Share premium	Others	Total
Beginning and ending balance	\$ 908,169	\$ 1,865	\$ 910,034

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-

in capital each year. However, capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(18) Retained earnings

A. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

B. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. However, when the legal reserve equals to the paid-in capital, the appropriation is not required. After that, a special reserve shall be set aside or reversed in accordance with Article 41 of the Securities and Exchange Act. The remaining earnings plus the accumulated unappropriated earnings shall be proposed by the Board of Directors to be resolved at the shareholders' meeting as dividends to shareholders.

In accordance with Paragraph 5 of Article 240 of the Company Act, the Board of Directors is authorised by the Company to resolve the distribution of dividends and bonuses, in whole or in part, in the form of cash by the resolution adopted by the majority vote at their meeting attended by two-thirds of the total number of directors, and then reported it to the shareholders.

The Company's dividend policy is in line with current and future development plans, and takes into consideration investment environment, capital requirements, domestic and overseas competition, and shareholders' interest, etc. At least 30% of the Company's distributable earnings of the year shall be appropriated as dividends and bonuses each year. However, the distribution is not required if the accumulated distributable earnings is lower than 1% of paid-in capital. Dividends and bonuses may be distributed in the form of cash or shares, and cash dividends shall account for at least 10% of the total dividends distributed. However, the type and payout ratio of dividend may be adjusted by the resolution of the shareholders during their meeting according to the actual profit and capital position of the year.

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

D. On May 26, 2025, the stockholders during their meeting resolved the distribution of cash dividends from the 2024 earnings in the amount of \$179,921 (\$1.8 (in dollars) per share). On March 6, 2026, the Board of Directors proposed for the distribution of cash dividends from the 2025 earnings in the amount of \$116,944 (\$1.17 (in dollars) per share). As of the report date, the cash dividends have not yet been distributed.

(19) Other equity interest

	For the three-month periods ended March 31,	
	2026	2025
	Unrealized valuation gains and losses	Unrealized valuation gains and losses
At January 1	\$ 4,335	\$ 12,040
Fair value change recognised in other comprehensive income	(18,182)	(29,750)
At March 31	<u>(\$ 13,847)</u>	<u>(\$ 17,710)</u>

(20) Operating revenue

	For the three-month periods ended March 31,	
	2026	2025
Rebar revenue	\$ 1,513,648	\$ 1,900,933
Billet revenue	—	38,962
	<u>\$ 1,513,648</u>	<u>\$ 1,939,895</u>

A. The Group derives sales revenue from the transfer of goods at a point in time.

B. The Group has recognised the following revenue-related contract liabilities:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>	<u>January 1, 2025</u>
Contract liabilities				
- current				
Advance sales				
receipts	<u>\$ 194,916</u>	<u>\$ 180,097</u>	<u>\$ 307,185</u>	<u>\$ 266,715</u>

Revenue recognised for the three-month periods ended March 31, 2026 and 2025, that was included in the contract liability balance as of January 1, 2026 and 2025 amounted to \$56,523 and \$83,788, respectively.

(21) Interest income

	For the three-month periods ended March 31,	
	2026	2025
Interest income from bank deposits	\$ 209	\$ 128
Other interest income	200	328
	<u>\$ 409</u>	<u>\$ 456</u>

(22) Other income

	For the three-month periods ended March 31,	
	2026	2025
Rental income	\$ 277	\$ 80
Other income	615	20,332
	<u>\$ 892</u>	<u>\$ 20,412</u>

(23) Other gains and losses

	For the three-month periods ended March 31,	
	2026	2025
Net gain on financial assets and liabilities at fair value through profit or loss	\$ 7,710	\$ 5,864
Net currency exchange gain (loss)	191 (	131)
Gain from lease modification	14	-
Other losses	(1)	(1)
	<u>\$ 7,914</u>	<u>\$ 5,732</u>

(24) Finance costs

	For the three-month periods ended March 31,	
	2026	2025
Interest expense:		
Bank borrowings	\$ 4,329	\$ 3,976
Lease liabilities	2,481	2,823
Others	-	4
	<u>6,810</u>	<u>6,803</u>
Less: Capitalization of qualifying assets	(212)	(1,228)
	<u>\$ 6,598</u>	<u>\$ 5,575</u>

(25) Expenses by nature

	For the three-month period ended March 31, 2026		
	Operating costs	Operating expenses	Total
Employee benefit expense	\$ 26,427	\$ 14,579	\$ 41,006
Depreciation	18,763	5,960	24,723
Amortisation	143	787	930
	<u>\$ 45,333</u>	<u>\$ 21,326</u>	<u>\$ 66,659</u>
	For the three-month period ended March 31, 2025		
	Operating costs	Operating expenses	Total
Employee benefit expense	\$ 23,860	\$ 18,443	\$ 42,303
Depreciation	17,502	6,133	23,635
Amortisation	45	48	93
	<u>\$ 41,407</u>	<u>\$ 24,624</u>	<u>\$ 66,031</u>

(26) Employee benefit expense

	For the three-month period ended March 31, 2026		
	<u>Operating costs</u>	<u>Operating expenses</u>	<u>Total</u>
Wages and salaries	\$ 21,487	\$ 12,328	\$ 33,815
Labour and health insurance expenses	2,383	1,159	3,542
Pension costs	897	451	1,348
Other personnel expenses	<u>1,660</u>	<u>641</u>	<u>2,301</u>
	<u>\$ 26,427</u>	<u>\$ 14,579</u>	<u>\$ 41,006</u>
	For the three-month period ended March 31, 2025		
	<u>Operating costs</u>	<u>Operating expenses</u>	<u>Total</u>
Wages and salaries	\$ 19,518	\$ 15,347	\$ 34,865
Labour and health insurance expenses	2,038	1,630	3,668
Pension costs	651	546	1,197
Other personnel expenses	<u>1,653</u>	<u>920</u>	<u>2,573</u>
	<u>\$ 23,860</u>	<u>\$ 18,443</u>	<u>\$ 42,303</u>

- A. The Company's distributable profit of the year (the distributable profit refers to profit before deducting tax and the employees' compensation and directors' and supervisors' remuneration below), if any, shall be used to cover accumulated deficit, and the remainder, if any, is distributed as follows: (a) 1% ~ 10% for employees' compensation, at least 10% of the amount allocated for employee compensation shall be distributed to non-managerial employees, and (b) No higher than 4% for directors' and supervisors' remuneration. The aforementioned employees' compensation can be distributed in the form of stocks or cash. The employees include the employees of the Company's subsidiaries who meet the requirements stipulated by the Board of Directors. The aforementioned directors' and supervisors' remuneration can only be distributed in the form of cash. Both distributions shall be proposed by the Remuneration Committee to the Board of Directors. The Board of Directors shall resolve the distributions by approval of more than half of directors present at a meeting where more than two-thirds of the directors are in attendance, and report the resolution at the shareholders' meeting.
- B. For the three-month periods ended March 31, 2026 and 2025, employees' compensation were accrued at \$333 and \$578, respectively; while directors' remuneration were accrued at \$266 and \$463, respectively. The aforementioned amounts were recognised in salary expenses, and were estimated and accrued based on the percentage prescribed by the Company's Articles of Incorporation, depending on distributable profit for the year. The employees' compensation and directors' and supervisors' remuneration resolved by the Board of Directors on March 6, 2026 were \$2,200 and \$1,710, respectively, and the employees' compensation will be distributed in the form of cash. The employees' compensation and directors' remuneration as resolved by the Board of Directors for 2025 were the same as the estimated amounts recognized in the 2025

financial statements. Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(27) Income tax

A. Components of income tax expense:

	For the three-month periods ended March 31,	
	2026	2025
Current income tax:		
Current tax on profit for the year	\$ 4,994	\$ 10,184
Over provision of prior year's income tax payable	(164)	—
Total current income tax	<u>4,830</u>	<u>10,184</u>
Deferred tax:		
Origination and reversal of temporary differences	(26)	—
Income tax expense	<u>\$ 4,804</u>	<u>\$ 10,184</u>

B. The Company's income tax returns through 2024 have been assessed and approved by the Tax Authority. The Company does not have any administrative remedy as of May 8, 2026.

(28) Earnings per share

	For the three-month period ended March 31, 2026		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	<u>\$ 27,878</u>	<u>98,416</u>	<u>\$ 0.28</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 27,878	98,416	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	—	95	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 27,878</u>	<u>98,511</u>	<u>\$ 0.28</u>

	For the three-month period ended March 31, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 46,603	99,956	\$ 0.47
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 46,603	99,956	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	—	75	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	\$ 46,603	100,031	\$ 0.47

(29) Supplemental cash flow information

A. Investing activities with partial cash payments:

	For the three-month periods ended March 31,	
	2026	2025
Acquisition of property, plant and equipment	\$ 3,317	\$ 76,961
Add: Beginning balance of equipment payable	168	3,214
Less: Ending balance of equipment payable	(312)	(6,272)
Capitalized interest	(212)	(1,228)
Cash paid for acquisition of property, plant and equipment	\$ 2,961	\$ 72,675

B. Investing and financing activities with no cash flow effects:

	For the three-month periods ended March 31,	
	2026	2025
(1) Cash dividends declared but not yet paid (listed as 'Other payables')	\$ 116,944	\$ 179,921
(2) Prepayments for equipment transferred to property, plant and equipment	\$ —	\$ 1,119

(30) Changes in liabilities from financing activities

	Short-term borrowings	Short-term notes and bills payable	Lease liabilities	Long-term borrowings (including current portion)	Liabilities from financing activities
At January 1, 2026	\$ 440,000	\$ 79,908	\$ 473,318	\$ 486,959	\$ 1,480,185
Changes in cash flow from financing activities	(151,654)	(79,908)	(5,240)	(16,668)	(253,470)
Changes in other non-cash items	—	—	2,175	—	2,175
At March 31, 2026	<u>\$ 288,346</u>	<u>\$ —</u>	<u>\$ 470,253</u>	<u>\$ 470,291</u>	<u>\$ 1,228,890</u>

	Short-term borrowings	Lease liabilities	Long-term borrowings (including current portion)	Liabilities from financing activities
At January 1, 2025	\$ 316,932	\$ 516,168	\$ 403,868	\$ 1,236,968
Changes in cash flow from financing activities	150,001	(6,694)	72,548	215,855
Changes in other non-cash items	—	7,414	—	7,414
At March 31, 2025	<u>\$ 466,933</u>	<u>\$ 516,888</u>	<u>\$ 476,416</u>	<u>\$ 1,460,237</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Company</u>
E-Top Metal Co., Ltd. (E-Top Metal)	Significant influence to the Company
E-Sheng Steel Co., Ltd. (E-Sheng Steel)	Other related party
TSG Transport Corp. (TSG Transport)	Other related party
TSG Environmental Technology Corp. (TSG Environmental)	Other related party
TSG Power Corp. (TSG Power)	Other related party
TSG Sports Marketing Corp. (TSG Sports)	Other related party
TSG Hawks Baseball Co., Ltd. (TSG Hawks)	Other related party
TSG Mechatronic Corp. (TSG Mechatronic)	Other related party
TSG Engineering Co., Ltd. (TSG Engineering)	Other related party
Te Chang Construction Co., Ltd. (Te Chang)	Other related party
KUEI TIEN International Entertainment Co., Ltd. (KUEI TIEN)	Other related party

(2) Significant related party transactions

A. Sales of goods

	For the three-month periods ended March 31,	
	2026	2025
Te Chang	\$ 110,057	\$ –
E-Top Metal	560	38,962
Other related parties	1,217	15,326
	<u>\$ 111,834</u>	<u>\$ 54,288</u>

Prices of goods sold to related parties and non-related parties are determined based on mutual agreement at each time, and the credit term is 14 to 60 days after monthly-closing, T/T. For third parties, the credit terms ranged from 30 to 90 days after monthly-closing.

B. Purchases of goods

	For the three-month periods ended March 31,	
	2026	2025
E-Top Metal	\$ 895,615	\$ 1,129,751
E-Sheng Steel	406,247	681,536
Other related parties	13,446	14,990
	<u>\$ 1,315,308</u>	<u>\$ 1,826,277</u>

Purchase prices from related parties were the same with third parties. Payment terms of some purchases from related parties were 10 to 20 days or 60 days after monthly-closing, T/T. For third parties, the payment terms were full prepayment, by issuance of letter of credit or the credit terms ranged from 30 to 90 days after monthly-closing.

C. Other expenses

	For the three-month periods ended March 31,	
	2026	2025
TSG Transport	\$ 31,394	\$ 35,874
E-Top Metal	2,159	1,702
Other related parties	4,681	4,187
	<u>\$ 38,234</u>	<u>\$ 41,763</u>

D. Rental income (listed as ‘Other income’)

	For the three-month periods ended March 31,	
	2026	2025
Other related parties	<u>\$ 6</u>	<u>\$ 80</u>

E. Ending balance of goods sold

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Accounts receivable:			
Te Chang	\$ 73,367	\$ 35,856	\$ –
E-Top Metal	645	79,038	–
Other related parties	<u>1,222</u>	<u>7,001</u>	<u>13,194</u>
	<u>\$ 75,234</u>	<u>\$ 121,895</u>	<u>\$ 13,194</u>

F. Other receivables

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
TSG Environmental	\$ 414	\$ 568	\$ 488
E-Top Metal	60	20	–
Other related parties	<u>35</u>	<u>107</u>	<u>28</u>
	<u>\$ 509</u>	<u>\$ 695</u>	<u>\$ 516</u>

G. Prepayments

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
KUEI TIEN	\$ 2,000	\$ 2,750	\$ –
TSG Hawks	1,955	–	7,548
TSG Transport	654	654	5,095
Other related parties	<u>519</u>	<u>779</u>	<u>58</u>
	<u>\$ 5,128</u>	<u>\$ 4,183</u>	<u>\$ 12,701</u>

H. Ending balance of goods purchased

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Accounts payable:			
E-Top Metal	\$ 109,344	\$ 71,170	\$ 123,948
E-Sheng Steel	50,199	32,728	115,645
Other related parties	<u>9,783</u>	<u>10,625</u>	<u>11,913</u>
	<u>\$ 169,326</u>	<u>\$ 114,523</u>	<u>\$ 251,506</u>

I. Other payables

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
TSG Transport	\$ 23,891	\$ 30,352	\$ 27,590
E-Top Metal	640	833	608
Other related parties	<u>–</u>	<u>691</u>	<u>5,504</u>
	<u>\$ 24,531</u>	<u>\$ 31,876</u>	<u>\$ 33,702</u>

J. Property transaction

Acquisition of property, plant and equipment:

		For the three-month period ended March 31,	
		2025	
	Item		
E-Top Metal	Construction in progress and equipment to be inspected	\$	499
Other related parties	Machinery and equipment		3, 999
Other related parties	Leasehold improvements		1, 400
		\$	<u>5, 898</u>

There was no such situation for the three-month period ended March 31, 2025.

(3) Key management compensation

		For the three-month periods ended March 31,	
		2026	2025
Salaries and other short-term employee benefits		\$ 3, 308	\$ 3, 226
Post-employment benefits		70	70
		\$ <u>3, 378</u>	\$ <u>3, 296</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Pledged asset	March 31, 2026	December 31, 2025	March 31, 2025	Purpose
Demand deposits (Note 1)	\$ 46, 000	\$ 80, 500	\$ 80, 000	Short-term borrowings and letters of credit
Land (Note 2)	103, 606	103, 606	103, 606	Long-term borrowings
Buildings and structures (Note 2)	127, 653	128, 294	130, 135	Long-term borrowings
	\$ <u>277, 259</u>	\$ <u>312, 400</u>	\$ <u>313, 741</u>	

(Note 1) Listed as 'Financial assets at amortised cost - current'.

(Note 2) Listed as 'Property, plant and equipment'.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) As of March 31, 2026, December 31, 2025 and March 31, 2025, the unused letters of credit for the purchase of raw materials amounted to \$—, \$33,567 and \$—, respectively.

(2) As of March 31, 2026, December 31, 2025 and March 31, 2025, the balances for contracts that the Group entered into but not yet incurred for the purchase of property, plant and equipment are \$94,055, \$94,320 and \$—, respectively.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Financial instruments by category

Details of the Group's financial instruments by category are provided in Note 6.

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise any adverse effects on the financial performance of the Group, derivative financial instruments are used to hedge certain risk.

(b) Risk management is carried out by a treasury department under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group has certain purchases denominated in USD. Changes in market exchange rates would affect the fair value. However, the payment and collection periods of assets and liability positions in foreign currencies are close, thus market risk can be offset. The Group does not expect significant foreign exchange risk.

ii. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group has no foreign currency assets and liabilities. The exchange rate fluctuations have no significant impact to the consolidated financial statements.

iii. The total exchange gain (loss), including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group amounted to \$191 and (\$131) for the three-month periods ended March 31, 2026 and 2025, respectively.

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- ii. The Group's investments in equity securities comprise shares issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the three-month periods ended March 31, 2026 and 2025 would have increased/decreased by \$2,280 and \$1,885, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity, before-tax profit would have increased/decreased by \$1,850 and \$817, respectively, as a result of other comprehensive income on equity investment classified as at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's interest rate risk arises from long-term and short-term borrowings with variable rates, which expose the Group to cash flow interest risk. For the three-month periods ended March 31, 2026 and 2025, the Group's borrowings at variable rate were denominated in NTD.
- ii. With regard to sensitivity analysis of interest rate risk, if interest rate on borrowings increased/decreased by 1% with all other variables held constant, post-tax profit for the three-month periods ended March 31, 2026 and 2025 would have increased/decreased by \$131 and \$165, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the notes and accounts receivable based on the agreed terms.
- ii. The Group manages its credit risk taking into consideration the entire Group's concern. According to the Group's credit policy, the Group is responsible for managing and analysing the credit risk for each of its new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits

set by the Board of Directors. The utilisation of credit limits is regularly monitored.

- iii. In line with credit risk management, if the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition. The default has occurred when past due over a certain time.
- iv. The Group applies the simplified approach using the provision matrix to estimate expected credit loss, and uses the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. As of March 31, 2026, December 31, 2025 and March 31, 2025, the provision matrix is as follows:

March 31, 2026	During the credit period	Overdue 1~90 days	Overdue 91~180 days	Overdue 181~270 days
Total book value	\$ 933,517	\$ 14,138	\$ 91	\$ 134
Expected credit rate	0.02%	1.70%	72.38%	81.20%
Loss allowance	\$ 725	\$ 240	\$ 66	\$ 109
			Individually assessed impairment	
March 31, 2026	Overdue 271~365 days	Over 365 days overdue	loss	Total
Total book value	\$ 43	\$ 110	\$ 21,655	\$ 969,688
Expected credit rate	85%	100%	100%	
Loss allowance	\$ 37	\$ 110	\$ 21,655	\$ 22,942
December 31, 2025	During the credit period	Overdue 1~90 days	Overdue 91~180 days	Overdue 181~270 days
Total book value	\$ 1,089,689	\$ 93,980	\$ 134	\$ 43
Expected credit rate	0.02%	1.75%	71%	80.26%
Loss allowance	\$ -	\$ 1,058	\$ 95	\$ 35
			Individually assessed impairment	
December 31, 2025	Overdue 271~365 days	Over 365 days overdue	loss	Total
Total book value	\$ 73	\$ 37	\$ 21,655	\$ 1,205,611
Expected credit rate	85.71%	100%	100%	
Loss allowance	\$ 62	\$ 37	\$ 21,655	\$ 22,942
March 31, 2025	During the credit period	Overdue 1~90 days	Overdue 91~180 days	Overdue 181~270 days
Total book value	\$ 1,173,296	\$ 4,939	\$ 1	\$ 57
Expected credit rate	0.02%	0.94%	35.43%	42.54%
Loss allowance	\$ 865	\$ 46	\$ -	\$ 24

March 31, 2025	Overdue 271~365 days	Over 365 days overdue	Individually assessed impairment loss	Total
Total book value	\$ 16	\$ 276	\$ 21,847	\$ 1,200,432
Expected credit rate	46.16%	100%	100%	
Loss allowance	\$ 8	\$ 276	\$ 21,847	\$ 23,066

- v. Movements in relation to the Group applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	For the three-month period ended March 31, 2026		
	Notes receivable	Accounts receivable	Total
Beginning and ending balance	\$ 13	\$ 22,929	\$ 22,942

	For the three-month period ended March 31, 2025		
	Notes receivable	Accounts receivable	Total
Beginning and ending balance	\$ 13	\$ 23,053	\$ 23,066

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by the Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants.
- ii. The Group has the following undrawn borrowing facilities:

	March 31, 2026	December 31, 2025	March 31, 2025
Floating rate:			
Expiring within one year	\$ 251,654	\$ 460,000	\$ 263,067
Expiring in more than one year	401,100	401,100	298,700
	<u>\$ 652,754</u>	<u>\$ 861,100</u>	<u>\$ 561,767</u>

- iii. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

<u>March 31, 2026</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>More than 5 years</u>
Non-derivative financial liabilities:				
Short-term borrowings	\$ 290,047	\$ –	\$ –	\$ –
Notes payable	1,996	–	–	–
Accounts payable (including current portion)	170,830	–	–	–
Other payables	204,656	–	–	–
Lease liabilities	45,135	31,942	92,538	385,465
Long-term borrowings (including current portion)	75,385	75,658	216,887	139,090
<u>December 31, 2025</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>More than 5 years</u>
Non-derivative financial liabilities:				
Short-term borrowings	\$ 444,250	\$ –	\$ –	\$ –
Short-term notes and bills payable	80,000	–	–	–
Notes payable	4,752	–	–	–
Accounts payable (including current portion)	115,925	–	–	–
Other payables	112,051	–	–	–
Lease liabilities	44,750	31,998	92,314	390,971
Long-term borrowings (including current portion)	75,667	74,747	218,807	156,821

March 31, 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Non-derivative financial liabilities:				
Short-term borrowings	\$ 470,766	\$ –	\$ –	\$ –
Notes payable	5,684	–	–	–
Accounts payable	252,815	–	–	–
Other payables	296,377	–	–	–
Lease liabilities	37,745	51,712	108,319	413,835
Long-term borrowings (including current portion)	69,877	68,833	201,622	176,856

- iv. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

- A. 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. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed and emerging stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in listed stocks through private placement (the discount on liquidity of 14.62% and 6.44%, respectively.) are included in Level 2.

Level 3: Unobservable inputs for the asset or liability.

- B. The carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, financial assets at amortised cost-current, notes receivable, accounts receivable (including related parties), other receivables, guarantee deposits paid, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable (including related parties), other payables and long-term borrowings (including current portion)) are approximate to their fair values.
- C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets as of March 31, 2026, December 31, 2025 and March 31, 2025 is as follows:

<u>March 31, 2026</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	<u>\$ 27,679</u>	<u>\$ 257,300</u>	<u>\$ –</u>	<u>\$ 284,979</u>
Financial assets at fair value through other comprehensive income				
Equity securities	<u>\$ 107,293</u>	<u>\$ 77,700</u>	<u>\$ –</u>	<u>\$ 184,993</u>
<u>December 31, 2025</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	<u>\$ 30,589</u>	<u>\$ 247,800</u>	<u>\$ –</u>	<u>\$ 278,389</u>
Financial assets at fair value through other comprehensive income				
Equity securities	<u>\$ 119,175</u>	<u>\$ 84,000</u>	<u>\$ –</u>	<u>\$ 203,175</u>
<u>March 31, 2025</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	<u>\$ 9,323</u>	<u>\$ 226,250</u>	<u>\$ –</u>	<u>\$ 235,573</u>
Financial assets at fair value through other comprehensive income				
Equity securities	<u>\$ –</u>	<u>\$ 81,690</u>	<u>\$ –</u>	<u>\$ 81,690</u>

The methods and assumptions the Group used to measure fair value are as follows:

- (a) The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed and emerging stocks</u>
Market quoted price	Closing price

- (b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the balance sheet date.
- (c) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. As

a result, the estimate generated by valuation model will be slightly adjusted based on additional inputs, such as model risk or liquidity risk of counterparties. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

- D. For the three-month periods ended March 31, 2026 and 2025, there was no transfer between Level 1 and Level 2, and there was no transfer from or to Level 3.
- E. Treasury segment is in charge of valuation procedures for fair value measurements being categorised within Level 2, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

13. SUPPLEMENTARY DISCLOSURES

According to the current regulatory requirements, the Group is only required to disclose the information for the three-month period ended March 31, 2026.

(1) Significant transactions information

- A. Loans to others: None.
- B. Provision of endorsements and guarantees to others: None.
- C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 1.
- D. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Refer to table 2.
- E. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: None.
- F. Significant inter-company transactions during the reporting period: None.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 3.

(3) Information on investments in Mainland China

As of March 31, 2026, there are no investments in Mainland China.

14. Segment Information

(1) General information

The Group operates business only in a single industry. The Group's chief operating decision-maker, who allocates resources and assesses performance of the Group as a whole, has identified that the Group has only one reportable operating segment.

(2) Information about segment profit or loss, assets and liabilities

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	<u>For the three-month periods ended March 31,</u>	
	<u>2026</u>	<u>2025</u>
	<u>The Group</u>	<u>The Group</u>
Segment revenue		
Revenue from external customers, net	\$ 1, 513, 648	\$ 1, 939, 895
Depreciation and amortisation	25, 653	23, 728
Finance costs	6, 598	5, 575
Segment profit before income tax	32, 682	56, 787
Segment assets	4, 002, 157	4, 565, 157
Non-current assets capital expenditure	3, 931	78, 356
Segment liabilities	1, 819, 254	2, 344, 866

(3) Reconciliation for segment income

The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income. The amounts provided to the chief operating decision maker with respect to segment income, total assets and total liabilities are measured in a manner consistent with that of the financial statements. Therefore, such reconciliation is not required.

TMP STEEL CORPORATION AND ITS SUBSIDIARY

Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

March 31, 2026

Table 1

Expressed in thousands of NTD

Securities held by	Marketable securities (Note)	Relationship with the securities issuer	General ledger account	As of December 31, 2025				
				Number of shares	Book value	Ownership (%)	Fair value	Footnote
TMP Steel Corporation	Chun Yu Works & Co., Ltd.	Other related party	Financial assets at fair value through profit or loss - current	456,000	\$ 7,205	0.15%	\$ 7,205	-
	Ofco Industrial Corp.	Other related party	Financial assets at fair value through profit or loss - current	496,000	6,597	0.49%	6,597	-
	Jia Jie Biomedical Co., Ltd.	Other related party	Financial assets at fair value through profit or loss - current	1,088,405	13,877	0.92%	13,877	-
	King House Co. Ltd.	Other related party	Financial assets at fair value through profit or loss - non-current	5,000,000	257,300	2.96%	257,300	-
	TSG Development Co., Ltd. (formerly Data Van International Corp.)	-	Financial assets at fair value through other comprehensive income - non-current	7,000,000	77,700	4.80%	77,700	-
	IBF Financial Holdings Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	7,200,899	107,293	0.20%	107,293	-

(Note) Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

TMP STEEL CORPORATION AND ITS SUBSIDIARY

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

For the three months ended March 31, 2026

Table 2

Expressed in thousands of NTD

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Description and reasons for difference in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
TMP Steel Corporation	E-TOP METAL CO., LTD.	Significant influence to the Company	Purchases	\$ 895,615	66%	20 days after 10 days statements	\$ -	(Note 2)	(\$ 109,344)	(64%)	-
	E-SHENG STEEL CO., LTD.	Other related party	Purchases	406,247	30%	20 days after 10 days statements	-	(Note 2)	(50,199)	(29%)	-
	Te Chang Construction Co., Ltd.	Other related party	(Sales)	(110,057)	(7%)	35 days after 15 days statements	-	(Note 3)	73,367	8%	-

(Note 1) The transactions between related parties are merely arising from reversed directions, therefore, they will not be disclosed separately.

(Note 2) The Company's payment terms with third parties are full prepayment, by issuance of letter of credit or the credit terms ranged from 30 to 90 days after monthly-closing. It is determined based on credit management policy of the company.

(Note 3) The Company's collection terms with third parties are 30 to 90 days after monthly statements. It is determined based on credit management policy of the company.

TMP STEEL CORPORATION AND ITS SUBSIDIARY

Names, locations and other information of investee companies (not including investees in Mainland China)

For the three months ended March 31, 2026

Table 3

Expressed in thousands of NTD

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2026			Net profit (loss) of the investee for the year ended March 31, 2026	Investment income (loss) recognised by the Company the year ended March 31, 2026	Footnote
				Balance as at March 31, 2026	Balance as at December 31, 2025	Number of shares	Ownership (%)	Book value (Note)			
TMP Steel Corporation	Korea Peibo Electronics Co., Ltd.	Seoul, Korea	Purchase, sales and manufacturing of electronic components	\$ 1,599	\$ 1,599	-	50%	\$ -	\$ -	\$ -	-
	Taiwan Steel Material Corp.	Taiwan	Wholesale of hardware and sale	1,000	1,000	100,000	100%	1,000	-	-	- Subsidiary

(Note) It is shown as amount net of accumulated impairment loss.