

**Powertech Technology Inc. and
Subsidiaries**

**Consolidated Financial Statements for the
Three Months Ended March 31, 2026 and 2025 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Powertech Technology Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of Powertech Technology Inc. and its subsidiaries (collectively, the "Corporation"), as of March 31, 2026 and 2025 and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three-months periods then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As disclosed in Note 12 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of March 31, 2026 and 2025, combined total assets of these non-significant subsidiaries were NT\$7,794,073 thousand and NT\$9,946,125 thousand, representing 6.14% and 9.21%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were NT\$3,212,008 thousand and NT\$2,666,190 thousand, respectively, representing 6.04% and 7.57%, respectively, of the consolidated total liabilities; and for the three months ended March 31, 2026 and 2025, the amounts of combined comprehensive income of these subsidiaries were NT\$(52,482) thousand and NT\$46,717 thousand, respectively, representing (2.01)% and 2.45%, respectively, of the consolidated total comprehensive income. And as disclosed in Note 13 to the consolidated financial statements, the investments accounted for using equity method as of March 31, 2026 and 2025 were NT\$1,381,424 and NT\$1,187,925 thousand, respectively, and the share of gain (loss) of associates using the equity method, for the three months ended March 31, 2026 and 2025 was NT\$10,135 and NT\$(14,350) thousand, respectively, was recognized and disclosed based on the investment financial statements for the

same period that have not been reviewed by Accountant, these investment amounts, as well as related information disclosed in Note 34 to the consolidated financial statements, were based on unreviewed financial statements of the investees for the same reporting periods as those of the Corporation and subsidiaries.

Qualified Conclusion

Based on our reviews, except for the consolidated financial statements of subsidiaries and Investment as well as related information disclosed referred to in preceding paragraph, were based on unreviewed financial statements of the investees for the same reporting periods as those of the Corporation and subsidiaries, if those consolidated financial statements had been reviewed and any adjustments were determined to be necessary, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the financial position of the Corporation 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 March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Ming-Yuan Chung and Su-Li Fang.

Ming - Yuan Chung Su Li Fang

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 8, 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.

POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2026		December 31, 2025		March 31, 2025		LIABILITIES AND EQUITY	March 31, 2026		December 31, 2025		March 31, 2025	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
CURRENT ASSETS							CURRENT LIABILITIES						
Cash (Note 6)	\$ 16,022,517	13	\$ 16,375,118	13	\$ 22,568,801	21	Short-term bank loans (Note 19)	\$ 300,000	-	\$ -	-	\$ 66,750	-
Financial assets at fair value through profit or loss - current (Note 7)	-	-	29	-	2,979	-	Financial liabilities at fair value through profit or loss - current (Notes 7 and 29)	6,616	-	12,545	-	7,236	-
Financial assets at amortized cost - current (Notes 9, 29 and 31)	-	-	-	-	33,182	-	Contract liabilities - current (Note 24)	351,848	-	259,320	-	138,443	-
Contract assets - current (Notes 24 and 30)	3,163,442	3	3,223,604	3	2,252,927	2	Notes and accounts payable (Note 4)	6,884,336	6	7,570,242	6	4,415,532	4
Notes and accounts receivable (Notes 10 and 24)	14,563,132	11	13,363,193	11	9,748,383	9	Accounts payable to related parties (Note 30)	149,724	-	146,719	-	55,241	-
Receivables from related parties (Notes 24 and 30)	4,893,856	4	5,173,965	4	4,917,153	5	Bonus to employees and remuneration to directors (Note 25)	1,369,669	1	1,084,146	1	1,282,386	1
Other receivables	440,012	-	438,927	-	252,004	-	Payables to equipment suppliers (Note 30)	3,741,376	3	3,296,916	3	2,286,381	2
Other receivables from related parties (Note 30)	7,231	-	24,537	-	38,539	-	Other payables - related parties (Note 30)	86,885	-	50,437	-	83,269	-
Inventories (Note 11)	6,857,251	5	6,565,731	5	5,652,402	5	Current income tax liabilities (Notes 4 and 26)	1,272,999	1	578,035	-	1,171,889	1
Prepaid expenses (Note 18)	757,198	1	704,875	1	327,452	-	Provisions - current (Note 21)	46,939	-	31,122	-	5,852	-
Other current assets (Notes 18, 30 and 32)	576,784	-	494,955	1	422,989	1	Lease liabilities - current (Notes 15 and 29)	61,391	-	60,954	-	42,967	-
Total current assets	<u>47,281,423</u>	<u>37</u>	<u>46,364,934</u>	<u>38</u>	<u>46,216,811</u>	<u>43</u>	Accrued expenses and other current liabilities (Note 20)	5,571,590	4	5,982,611	5	5,854,226	6
							Current portion of long-term debts (Notes 19 and 31)	4,667,206	4	4,703,164	4	2,857,308	3
NON-CURRENT ASSETS							Total current liabilities	<u>24,510,579</u>	<u>19</u>	<u>23,776,211</u>	<u>19</u>	<u>18,267,480</u>	<u>17</u>
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 29)	16,524	-	16,524	-	17,324	-	NON-CURRENT LIABILITIES						
Financial assets at amortized cost - non-current (Notes 9 and 31)	1,248,407	1	1,195,479	1	619,355	1	Long-term debt (Notes 19 and 31)	25,969,750	21	25,413,199	21	14,746,205	14
Investments accounted for using the equity method (Note 13)	1,381,424	1	1,335,263	1	1,187,925	1	Deferred income tax liabilities (Notes 4 and 26)	439,500	-	452,675	-	307,984	-
Property, plant and equipment (Notes 14, 30 and 31)	73,312,902	58	70,411,788	57	56,764,344	52	Lease liabilities - non-current (Notes 15 and 29)	1,733,412	1	1,715,674	1	1,283,867	1
Right-of-use assets (Note 15)	1,644,169	1	1,626,642	1	1,266,441	1	Net defined benefit liability - non-current (Notes 4 and 22)	40,199	-	40,250	-	46,648	-
Investment property (Note 16)	375,710	-	380,700	-	-	-	Other non-current liabilities (Note 20)	477,130	1	490,879	1	583,584	1
Intangible assets (Note 17)	1,118,560	1	1,121,483	1	1,109,085	1	Total non-current liabilities	<u>28,659,991</u>	<u>23</u>	<u>28,112,677</u>	<u>23</u>	<u>16,968,288</u>	<u>16</u>
Deferred income tax assets (Notes 4 and 26)	12,067	-	70,315	-	123,092	-	Total liabilities	<u>53,170,570</u>	<u>42</u>	<u>51,888,888</u>	<u>42</u>	<u>35,235,768</u>	<u>33</u>
Net defined benefit assets - non-current (Notes 4 and 22)	35,838	-	33,593	-	43,089	-	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT (Note 23)						
Other non-current assets (Notes 18, 30 and 32)	553,458	1	606,671	1	647,846	1	Capital stock						
Total non-current assets	<u>79,699,059</u>	<u>63</u>	<u>76,798,458</u>	<u>62</u>	<u>61,778,501</u>	<u>57</u>	Ordinary shares	7,591,466	6	7,591,466	6	7,591,466	7
							Capital surplus	462,395	-	462,395	1	319,869	-
							Retained earnings						
							Legal reserve	11,535,023	9	11,535,023	10	10,852,212	10
							Special reserve	372,090	-	372,090	-	732,267	1
							Unappropriated earnings	39,898,019	32	38,053,976	31	39,346,880	36
							Total retained earnings	51,805,132	41	49,961,089	41	50,931,359	47
							Other equity	(570,254)	-	(801,332)	(1)	(145,004)	-
							Treasury stock	(922,841)	(1)	(922,841)	(1)	(855,550)	(1)
							Equity attributable to shareholders of the Parent	58,365,898	46	56,290,777	46	57,842,140	53
							NON-CONTROLLING INTERESTS (Notes 12 and 23)	<u>15,444,014</u>	<u>12</u>	<u>14,983,727</u>	<u>12</u>	<u>14,917,404</u>	<u>14</u>
							Total equity	<u>73,809,912</u>	<u>58</u>	<u>71,274,504</u>	<u>58</u>	<u>72,759,544</u>	<u>67</u>
TOTAL	<u>\$ 126,980,482</u>	<u>100</u>	<u>\$ 123,163,392</u>	<u>100</u>	<u>\$ 107,995,312</u>	<u>100</u>	TOTAL	<u>\$ 126,980,482</u>	<u>100</u>	<u>\$ 123,163,392</u>	<u>100</u>	<u>\$ 107,995,312</u>	<u>100</u>

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

POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

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

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
NET SALES (Notes 24 and 30)	\$ 21,314,167	100	\$ 15,493,936	100
COST OF REVENUE (Notes 11, 17, 25 and 30)	<u>17,170,249</u>	<u>81</u>	<u>12,852,885</u>	<u>83</u>
GROSS PROFIT	<u>4,143,918</u>	<u>19</u>	<u>2,641,051</u>	<u>17</u>
OPERATING EXPENSES (Notes 17, 25 and 30)				
Marketing	53,687	-	53,120	-
General and administrative	486,607	2	395,788	3
Research and development	<u>842,934</u>	<u>4</u>	<u>644,879</u>	<u>4</u>
Total operating expenses	<u>1,383,228</u>	<u>6</u>	<u>1,093,787</u>	<u>7</u>
OPERATING INCOME	<u>2,760,690</u>	<u>13</u>	<u>1,547,264</u>	<u>10</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 25)	64,448	-	99,806	1
Other gains and losses (Notes 25 and 30)	256,800	1	149,228	1
Other income (Note 25)	16,868	-	4,834	-
Financial costs (Note 25)	(111,377)	-	(62,770)	-
Share of loss of associates for using the equity method (Note 13)	10,135	-	(14,350)	-
Foreign exchange gain, net (Notes 25 and 33)	<u>159,544</u>	<u>1</u>	<u>79,412</u>	<u>-</u>
Total non-operating income and expenses	<u>396,418</u>	<u>2</u>	<u>256,160</u>	<u>2</u>
INCOME BEFORE INCOME TAX	3,157,108	15	1,803,424	12
INCOME TAX EXPENSE (Notes 4 and 26)	<u>770,277</u>	<u>4</u>	<u>225,016</u>	<u>2</u>
NET INCOME	<u>2,386,831</u>	<u>11</u>	<u>1,578,408</u>	<u>10</u>
OTHER COMPREHENSIVE INCOME (Note 23)				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	<u>227,328</u>	<u>1</u>	<u>325,265</u>	<u>2</u>
Total other comprehensive income	<u>227,328</u>	<u>1</u>	<u>325,265</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 2,614,159</u>	<u>12</u>	<u>\$ 1,903,673</u>	<u>12</u>
NET INCOME ATTRIBUTABLE TO				
Shareholders of the Parent	\$ 1,844,043	9	\$ 1,175,216	7
Non-controlling interests	<u>542,788</u>	<u>2</u>	<u>403,192</u>	<u>3</u>
	<u>\$ 2,386,831</u>	<u>11</u>	<u>\$ 1,578,408</u>	<u>10</u>

(Continued)

POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

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

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO				
Shareholders of the Parent	\$ 2,075,121	10	\$ 1,402,302	9
Non-controlling interests	<u>539,038</u>	<u>2</u>	<u>501,371</u>	<u>3</u>
	<u>\$ 2,614,159</u>	<u>12</u>	<u>\$ 1,903,673</u>	<u>12</u>
EARNINGS PER SHARE (Note 27)				
Basic	<u>\$ 2.50</u>		<u>\$ 1.58</u>	
Diluted	<u>\$ 2.49</u>		<u>\$ 1.57</u>	

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

(Concluded)

POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

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

	Equity Attributable to Shareholders of the Corporations											Noncontrolling Interests	Total Equity
	Capital Stock		Capital Surplus	Retained Earnings			Exchange Differences on Translation of the Financial Statements of Foreign Operations	Other Equity Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Treasury Share	Total		
	Shares (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings							
BALANCE, JANUARY 1, 2025	759,147	\$ 7,591,466	\$ 319,869	\$ 10,852,212	\$ 732,267	\$ 38,171,664	\$ (341,414)	\$ (30,676)	\$ (372,090)	\$ (533,313)	\$ 56,762,075	\$ 14,930,476	\$ 71,692,551
Appropriation of 2024 earnings													
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(85,722)	(85,722)
Net income for the three months ended March 31, 2025	-	-	-	-	-	1,175,216	-	-	-	-	1,175,216	403,192	1,578,408
Other comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	-	-	227,086	-	227,086	-	227,086	98,179	325,265
Total comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	-	1,175,216	227,086	-	227,086	-	1,402,302	501,371	1,903,673
The Parent's shares held by its subsidiaries treated as treasury shares	-	-	-	-	-	-	-	-	-	(322,237)	(322,237)	(428,721)	(750,958)
BALANCE, MARCH 31, 2025	<u>759,147</u>	<u>\$ 7,591,466</u>	<u>\$ 319,869</u>	<u>\$ 10,852,212</u>	<u>\$ 732,267</u>	<u>\$ 39,346,880</u>	<u>\$ (114,328)</u>	<u>\$ (30,676)</u>	<u>\$ (145,004)</u>	<u>\$ (855,550)</u>	<u>\$ 57,842,140</u>	<u>\$ 14,917,404</u>	<u>\$ 72,759,544</u>
BALANCE, JANUARY 1, 2026	759,417	\$ 7,592,466	\$ 462,395	\$ 11,535,023	\$ 372,090	\$ 38,053,976	\$ (769,856)	\$ (31,476)	\$ (801,332)	\$ (922,841)	\$ 56,291,777	\$ 14,983,727	\$ 71,275,504
Appropriation of 2025 earnings													
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(78,751)	(78,751)
Net income for the three months ended March 31, 2026	-	-	-	-	-	1,844,043	-	-	-	-	1,844,043	542,788	2,386,831
Other comprehensive income (loss) for the three months ended March 31, 2026	-	-	-	-	-	-	231,078	-	231,078	-	231,078	(3,750)	227,328
Total comprehensive income (loss) for the three months ended March 31, 2026	-	-	-	-	-	1,844,043	231,078	-	231,078	-	2,075,121	539,038	2,614,159
BALANCE, MARCH 31, 2026	<u>759,417</u>	<u>\$ 7,592,466</u>	<u>\$ 462,395</u>	<u>\$ 11,535,023</u>	<u>\$ 372,090</u>	<u>\$ 39,898,019</u>	<u>\$ (538,778)</u>	<u>\$ (31,476)</u>	<u>\$ (570,254)</u>	<u>\$ (922,841)</u>	<u>\$ 58,366,898</u>	<u>\$ 15,444,014</u>	<u>\$ 73,810,912</u>

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

POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

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

	Three Months Ended March 31	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Current income before income tax	\$ 3,157,108	\$ 1,803,424
Adjustments for:		
Depreciation	3,324,610	2,966,360
Amortization	7,148	6,082
Net (gain) loss on fair value change of financial assets designated as at fair value through profit or loss	(3,116)	(2,332)
Financial costs	111,377	62,770
Interest revenue	(64,448)	(99,806)
Share of loss of associate	(10,135)	14,350
Net gain on disposal of property, plant and equipment	(342,908)	(34,706)
Impairment loss recognized on property, plant and equipment transfer to expenses	20,319	169
Net (gain) loss on foreign currency exchange, net	(61,063)	101,368
Recognition of provisions	15,817	5,852
Changes in operating assets and liabilities:		
Financial assets mandatorily classified as at fair value through profit or loss	(1,157)	(1,528)
Contract assets	60,162	17,942
Notes and accounts receivable	(1,184,868)	276,456
Accounts receivable from related parties	253,407	756,797
Other receivables	(53,029)	(21,766)
Other receivables from related parties	17,095	29,189
Inventories	(291,520)	(206,228)
Prepayments	(52,323)	19,496
Other current assets	(77,889)	63,608
Net defined benefit assets	(2,245)	(5,311)
Financial liability held for trading	(1,627)	(28,562)
Contract liabilities	92,528	(7,393)
Notes and accounts payable	(676,631)	(528,404)
Accounts payable to related parties	2,447	(57,908)
Bonus to employees and remuneration of directors	285,523	149,800
Other payables to related parties	36,448	26,769
Accrued expenses and other current liabilities	(410,297)	(670,812)
Net defined benefit liabilities	(51)	2,326
Other payables	1,706	2,169
Cash generated from operations	4,152,388	4,640,171
Interest received	117,924	83,035
Interest paid	(139,797)	(77,085)
Income tax paid	(28,207)	(16,709)
Net cash generated from operating activities	<u>4,102,308</u>	<u>4,629,412</u>

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POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

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

	Three Months Ended March 31	
	2026	2025
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at amortized cost	\$ (54,028)	\$ (30)
Proceeds from sale of financial assets at amortized cost	-	582,930
Acquisition of property, plant and equipment	(6,547,549)	(3,721,020)
Disposal of property, plant and equipment	1,105,432	35,769
Decrease in refundable deposits	49,604	50,279
Increase in intangible assets	(4,368)	(7,925)
Decrease in finance lease receivable	12,809	10,457
Increase in prepayments for equipment	(13,153)	(12,696)
Increase tax related to investing activities paid	<u>(2,033)</u>	<u>-</u>
Net cash used in investing activities	<u>(5,453,286)</u>	<u>(3,062,236)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term bank loans	300,000	66,750
Increase in long-term debt	2,591,747	-
Decrease in long-term debt	(2,572,782)	(1,186,447)
Increase in guarantee deposits	1,596	38,923
Repayment of the principal portion of lease liabilities	(15,339)	(10,583)
Purchase of treasury shares by subsidiary	-	(269,326)
Dividends paid to non-controlling interests	<u>(78,751)</u>	<u>(85,722)</u>
Net cash used in financing activities	<u>226,471</u>	<u>(1,446,405)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>771,906</u>	<u>209,695</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(352,601)	330,466
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>16,375,118</u>	<u>22,238,335</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 16,022,517</u>	<u>\$ 22,568,801</u>

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

(Concluded)

POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Powertech Technology Inc. (PTI) was incorporated in the Republic of China (ROC) on May 15, 1997 and commenced business on September 3, 1997. PTI is mainly engaged in the manufacturing, packaging, testing, researching and developing, designing, assembling and sale of various integrated circuit products. PTI also provides semiconductor testing and assembly services on a turnkey basis, in which PTI buys fabricated wafers and sells tested and assembled semiconductors. PTI's registered office and principal place of business is in Hsin-chu Industrial Park, Hukou, Hsin-chu.

PTI's share was initially listed and started trading on the Taipei Exchange (TPEX) since April 3, 2003, after which PTI's share was transferred for listing and started trading on the Taiwan Stock Exchange (TWSE) on November 8, 2004. PTI also issued Global Depositary Shares (GDS), which are listed on the Luxembourg Stock Exchange and traded on the Euro MTF Market. The GDS was accepted for quotation on the International Order Book of the London Stock Exchange. The GDS was de-listed on December 16, 2024.

The consolidated financial statements are presented in PTI's functional currency, the New Taiwan dollar. For greater comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollars since PTI's share is listed on the Taiwan Share Exchange.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were reported to the Board of Directors and issued on May 8, 2026.

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

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

Except for the following, the initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group's accounting policies:

- 1) Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
 - a) The amendments to the application guidance of classification of financial assets

The amendments mainly amend the requirements for the classification of financial assets, including:

- i. If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,

- In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and
 - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.
- ii. To clarify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- iii. To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

b) The amendments to the application guidance of derecognition of financial liabilities

The amendments mainly stipulate that a financial liability is derecognized on the settlement date. However, when settling a financial liability in cash using an electronic payment system, the Group can choose to derecognize the financial liability before the settlement date if, and only if, the Group has initiated a payment instruction that resulted in:

- The Group having no practical ability to withdraw, stop or cancel the payment instruction;
- The Group having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- The settlement risk associated with the electronic payment system being insignificant.

On the day of initial application of the above amendments, the Group has adjusted the derecognition date of the financial liabilities arising from uncashed checks, from the date of drawing to the date on which the counterparties cash the checks.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</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 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note 1: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments

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

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

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

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

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

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

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

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of PTI and the entities controlled by PTI (i.e. its subsidiaries).

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

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

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

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

See Notes 12 and 34g for the detailed information of subsidiaries (including the percentages of ownership and main business).

d. Other significant accounting policies

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

1) Derecognition of financial liabilities

Financial liabilities are derecognized on the settlement date, which is the date on which the liability is extinguished because the Group's obligations are discharged, cancelled or have expired, or the liability is substantially modified or exchanged for a debt instrument with substantially different terms. However, when an electronic payment system is used to settle a financial liability with cash, the financial liability is derecognized when the payment instructions are initiated, provided that once the Group has initiated a payment instruction, it has no practical ability to withdraw, stop or cancel the payment, has no practical ability to access the cash that will be used for settlement, and the settlement risk associated with the electronic payment system is insignificant. The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

2) Retirement benefits

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

3) Income tax expense

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Please refer to the consolidated financial statements for the year ended December 31, 2025.

6. CASH

	March 31, 2026	December 31, 2025	March 31, 2025
Checking accounts and demand deposits	\$ 16,022,119	\$ 16,373,911	\$ 22,568,381
Cash on hand	<u>398</u>	<u>1,207</u>	<u>420</u>
	<u>\$ 16,022,517</u>	<u>\$ 16,375,118</u>	<u>\$ 22,568,801</u>

The market rate intervals of cash in bank at the end of the reporting period were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Bank deposits	0%-3.80%	0%-3.65%	0%-4.59%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial assets at FVTPL - current</u>			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts	\$ -	\$ 29	\$ 2,979
<u>Financial liabilities at FVTPL - current</u>			
Financial liabilities held for trading			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	\$ 6,616	\$ 12,545	\$ 7,236

At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>March 31, 2026</u>			
Sell forward exchange contracts	USD to JPY	2026.04.10-2026.08.21	USD 7,820
<u>December 31, 2025</u>			
Sell forward exchange contracts	USD to NTD	2026.01.05-2026.02.12	USD 10,000
	USD to JPY	2026.01.07-2026.07.24	USD 9,635
<u>March 31, 2025</u>			
Sell forward exchange contracts	USD to NTD	2025.04.02-2025.07.02	USD 19,703
	USD to JPY	2025.04.30-2025.10.10	USD 6,020

The Corporation entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities. However, those contracts did not meet the criteria of hedge effectiveness and therefore were not accounted for using hedge accounting.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Investments in equity instruments at FVTOCI</u>			
<u>Non-current</u>			
Domestic investments			
Listed shares			
Common stock - Solid State System Co., Ltd.	\$ 16,524	\$ 16,524	\$ 17,324

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Corporation's strategy of holding these investments for long-term purposes.

9. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current</u>			
Domestic investments			
Restricted deposit	\$ <u> -</u>	\$ <u> -</u>	\$ <u> 33,182</u>
<u>Non-current</u>			
Domestic investments			
Corporate bonds - P13 Taiwan Power Company 2A Bond	\$ 200,001	\$ 200,001	\$ 200,001
Corporate bonds - P14 Taiwan Power Company 1B Bond	200,001	200,001	-
Corporate bonds - P13 CPC Corporation 2A Bond	100,000	100,000	100,000
Time deposits with original maturities of more than 3 months	440,660	441,760	66,750
Pledged time deposits	<u>307,745</u>	<u>253,717</u>	<u>252,604</u>
	<u>\$ 1,248,407</u>	<u>\$ 1,195,479</u>	<u>\$ 619,355</u>

On April 25, 2024, the Corporation bought corporate bonds issued by Taiwan Power Company with an effective interest rate of 1.66% at par value \$200,000 thousand, and maturity dates of April 25, 2028 and 2029, at par value of \$160,000 thousand and \$40,000 thousand, respectively.

On May 14, 2024, the Corporation bought corporate bonds issued by CPC Corporation with an effective interest rate of 1.73% at par value \$100,000 thousand, and maturity dates of May 14, 2028 and 2029, at par value of \$50,000 thousand, respectively.

On April 30, 2025, the Corporation bought corporate green bonds issued by Taiwan Power Company with an effective interest rate of 1.96% at par value \$200,000 thousands, and maturity dates of April 30, 2032.

The ranges of interest rates for time deposits with original maturities of more than 3 months were approximately 0.250%-0.615%, 0.250%-0.615% and 0.230% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

Refer to Note 29 for information relating to their credit risk management and impairment of investments in financial assets at amortized cost.

Refer to Note 31 for information relating to investments in financial assets at amortized cost pledged as security.

10. NOTES AND ACCOUNTS RECEIVABLE, NET

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Notes receivable</u>			
Notes receivable - operating	\$ 30,311	\$ 36,909	\$ 44,800
<u>Accounts receivable</u>			
At amortized cost			
Gross carrying amount	14,593,630	13,387,093	9,768,887
Less: Allowance for impairment loss	<u>(60,809)</u>	<u>(60,809)</u>	<u>(65,304)</u>
	<u>14,532,821</u>	<u>13,326,284</u>	<u>9,703,583</u>
	<u>\$ 14,563,132</u>	<u>\$ 13,363,193</u>	<u>\$ 9,748,383</u>

At amortized cost

The average credit period of sales of goods was 30 days to 150 days. No interest was charged on accounts receivable. In order to minimize credit risk, the management of the Corporation has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Corporation reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Corporation's credit risk was significantly reduced.

The Corporation applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all accounts receivable. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate. As the Corporation's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Corporation's different customer base.

The Corporation writes off an accounts receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For accounts receivable that have been written off, the Corporation continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of accounts receivable based on the Corporation's provision matrix.

March 31, 2026

	Not Past Due	Up to 60 Days	61 to 90 Days	91 to 120 Days	Over 120 Days	Total
Gross carrying amount	\$14,521,680	\$ 66,521	\$ 920	\$ 1,233	\$ 3,276	\$14,593,630
Loss allowance (Lifetime ECLs)	<u>(1,234)</u>	<u>(54,163)</u>	<u>(920)</u>	<u>(1,233)</u>	<u>(3,259)</u>	<u>(60,809)</u>
Amortized cost	<u>\$14,520,446</u>	<u>\$ 12,358</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17</u>	<u>\$14,532,821</u>

December 31, 2025

	Not Past Due	Up to 60 Days	61 to 90 Days	91 to 120 Days	Over 120 Days	Total
Gross carrying amount	\$13,308,467	\$ 73,476	\$ 2,261	\$ 412	\$ 2,477	\$13,387,093
Loss allowance (Lifetime ECLs)	<u>(6,509)</u>	<u>(49,167)</u>	<u>(2,261)</u>	<u>(412)</u>	<u>(2,460)</u>	<u>(60,809)</u>
Amortized cost	<u>\$13,301,958</u>	<u>\$ 24,309</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17</u>	<u>\$13,326,284</u>

March 31, 2025

	Not Past Due	Up to 60 Days	61 to 90 Days	91 to 120 Days	Over 120 Days	Total
Gross carrying amount	\$ 9,743,682	\$ 19,751	\$ 559	\$ 263	\$ 4,632	\$ 9,768,887
Loss allowance (Lifetime ECLs)	<u>(40,099)</u>	<u>(19,751)</u>	<u>(559)</u>	<u>(263)</u>	<u>(4,632)</u>	<u>(65,304)</u>
Amortized cost	<u>\$ 9,703,583</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,703,583</u>

The movements of the loss allowance of accounts receivable were as follows:

	For the Three Months Ended March 31	
	2026	2025
Balance at January 1 and March 31	<u>\$ 60,809</u>	<u>\$ 65,304</u>

11. INVENTORIES

	March 31, 2026	December 31, 2025	March 31, 2025
Raw materials	\$ 6,115,431	\$ 5,823,361	\$ 5,046,939
Supplies	<u>741,820</u>	<u>742,370</u>	<u>605,463</u>
	<u>\$ 6,857,251</u>	<u>\$ 6,565,731</u>	<u>\$ 5,652,402</u>

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

	For the Three Months Ended March 31	
	2026	2025
Cost of inventories sold	<u>\$ 17,170,249</u>	<u>\$ 12,852,885</u>
Write-downs of inventories	<u>\$ 29,317</u>	<u>\$ 18,637</u>
Sales of scrap	<u>\$ 74,753</u>	<u>\$ 62,024</u>

12. SUBSIDIARY

a. Subsidiaries included in the consolidated financial statements

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			March 31, 2026	December 31, 2025	March 31, 2025	
Powertech Technology Inc.	Powertech Holding (BVI) Inc.	Investment business	100	100	100	Note 2
	Greatek Electronics Inc. ("GEI")	Semiconductor assembly and testing services	43	43	43	Notes 1 and 3

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			March 31, 2026	December 31, 2025	March 31, 2025	
Powertech Technology Inc.	Powertech Technology (Singapore) Pte. Ltd.	Investment business	100	100	100	Note 2
	Powertech Semiconductor (Xian) Co., Ltd.	Semiconductor testing design, manufacturing, sales business and assembly services	36	36	36	Note 4
	Powertech Technology Japan Ltd.	Investment business	100	100	100	Note 2
	Tera Probe, Inc.	Wafer probing test services	12	12	12	Notes 2 and 3
	TeraPower Technology Inc.	Wafer probing test services	49	49	49	-
Powertech Holding (BVI) Inc.	PTI Technology (Singapore) Pte. Ltd.	Investment business	100	100	100	Note 2
Powertech Technology (Singapore) Pte. Ltd.	Powertech Semiconductor (Xian) Co., Ltd.	Semiconductor testing design, manufacturing, sales business and assembly services	64	64	64	Note 4
	Tera Probe, Inc.	Wafer probing test services	49	49	49	Notes 2 and 3
Powertech Technology Japan Ltd.	Tera Probe, Inc.	Wafer probing test services	49	49	49	Notes 2 and 3
Tera Probe, Inc.	TeraPower Technology Inc.	Wafer probing test services	51	51	51	-
Greatek Electronics Inc. ("GEI")	Get-Team Tech Corporation	Metal surface treatment of semiconductor wire frame	97.46	97.46	97.46	Note 2

(Concluded)

Note 1: On the reelection of the directors and supervisors of Greatek Electronics Inc., PTI obtained the a majority of the board seats and Greatek Electronics Inc. became a subsidiary of PTI even though PTI has only 43% ownership of Greatek Electronics Inc.

Note 2: It is a non-significant subsidiary, its financial statements for three months ended March 31, 2026 and 2025 have not been reviewed.

Note 3: Subsidiaries that have material non-controlling interests.

Note 4: On June 27, 2023, the Company's board of directors resolved to sell the fixed assets and inventory of Powertech Semiconductor (Xian) Ltd. to Micron Technology Co., Ltd. The disposal procedure was completed on June 28, 2024, and operations had ceased.

b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Principal Place of Business	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
		March 31, 2026	December 31, 2025	March 31, 2025
Greatek Electronics Inc.	Zhunan Township, Miaoli County	57%	57%	57%
Tera Probe, Inc.	Japan	39%	39%	39%

Name of Subsidiary	Profit Allocated to Non-controlling Interests For the Three Months Ended March 31		Accumulated Non-controlling Interests		
	2026	2025	March 31, 2026	December 31, 2025	March 31, 2025
	Greatek Electronics Inc. (Excluding non-controlling interests in subsidiary)	\$ 453,069	\$ 336,553	\$ 12,325,921	\$ 11,876,882
Tera Probe, Inc.	\$ 89,735	\$ 66,819	\$ 3,116,275	\$ 3,105,011	\$ 3,033,791

Summarized financial information in respect of each of the Corporation's subsidiaries that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations.

Greatek Electronics Inc. and subsidiary

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	\$ 12,295,231	\$ 11,474,881	\$ 12,043,694
Non-current assets	17,008,325	16,554,121	14,995,552
Current liabilities	(3,780,793)	(3,589,259)	(3,790,832)
Non-current liabilities	<u>(285,906)</u>	<u>(285,715)</u>	<u>(304,210)</u>
Equity	<u>\$ 25,236,857</u>	<u>\$ 24,154,028</u>	<u>\$ 22,944,204</u>
Equity attributable to:			
Owners of the Parent	\$ 10,827,139	\$ 10,362,543	\$ 9,843,395
Non-controlling interests	14,407,900	13,789,651	13,098,810
Non-controlling interests from subsidiary	<u>1,818</u>	<u>1,834</u>	<u>1,999</u>
	<u>\$ 25,236,857</u>	<u>\$ 24,154,028</u>	<u>\$ 22,944,204</u>
		For the Three Months Ended March 31	
		2026	2025
Operating revenue		<u>\$ 4,722,344</u>	<u>\$ 3,896,438</u>
Net income for the period		\$ 797,929	\$ 592,480
Other comprehensive (loss) income for the period		<u>284,900</u>	<u>(31,768)</u>
Total comprehensive income for the period		<u>\$ 1,082,829</u>	<u>\$ 560,712</u>
Net income attributable to:			
Owners of the Parent		\$ 342,360	\$ 254,282
Non-controlling interests		455,585	338,378
Non-controlling interests from subsidiary		<u>(16)</u>	<u>(180)</u>
		<u>\$ 797,929</u>	<u>\$ 592,480</u>
Total comprehensive income attributable to:			
Owners of the Parent		\$ 464,597	\$ 240,652
Non-controlling interests		618,248	320,240
Non-controlling interests from subsidiary		<u>(16)</u>	<u>(180)</u>
		<u>\$ 1,082,829</u>	<u>\$ 560,712</u>
Net cash inflow (outflow) from:			
Operating activities		\$ 1,291,722	\$ 1,239,979
Investing activities		(865,588)	(801,375)
Financing activities		<u>(3,138)</u>	<u>(3,015)</u>
Net cash inflow		<u>\$ 422,996</u>	<u>\$ 435,589</u>

Tera Probe, Inc.

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	\$ 1,854,276	\$ 2,366,730	\$ 2,121,393
Non-current assets	8,023,191	7,705,329	6,951,691
Current liabilities	(854,186)	(985,406)	(626,383)
Non-current liabilities	<u>(1,414,207)</u>	<u>(1,491,060)</u>	<u>(1,050,508)</u>
Equity	<u>\$ 7,609,074</u>	<u>\$ 7,595,593</u>	<u>\$ 7,396,193</u>
Equity attributable to:			
Owners of the Parent	\$ 4,614,928	\$ 4,606,728	\$ 4,485,822
Non-controlling interests	<u>2,994,146</u>	<u>2,988,865</u>	<u>2,910,371</u>
	<u>\$ 7,609,074</u>	<u>\$ 7,595,593</u>	<u>\$ 7,396,193</u>
		For the Three Months Ended March 31	
		2026	2025
Operating revenue for the period		<u>\$ 457,650</u>	<u>\$ 484,230</u>
Net income		\$ 222,517	\$ 177,138
Other comprehensive income (loss) for the period		<u>11,526</u>	<u>(222,787)</u>
Total comprehensive income for the period		<u>\$ 234,043</u>	<u>\$ (45,649)</u>
Net income attributable to:			
Owners of the Parent		\$ 134,957	\$ 107,435
Non-controlling interests		<u>87,560</u>	<u>69,703</u>
		<u>\$ 222,517</u>	<u>\$ 177,138</u>
Total comprehensive income attributable to:			
Owners of the Parent		\$ 141,948	\$ (27,686)
Non-controlling interests		<u>92,095</u>	<u>(17,963)</u>
		<u>\$ 234,043</u>	<u>\$ (45,649)</u>
Cash inflow from:			
Operating activities		\$ 103,716	\$ 231,788
Investing activities		(321,506)	187,754
Financing activities		<u>(304,074)</u>	<u>(171,093)</u>
Net cash (outflow) inflow		<u>\$ (521,864)</u>	<u>\$ 248,449</u>
Dividends paid to non-controlling interests Tera Probe, Inc.		<u>\$ 78,751</u>	<u>\$ 85,722</u>

13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	March 31, 2026	December 31, 2025	March 31, 2025
Associates that are not individually material			
Longforce Technology (Suzhou) Ltd.	\$ 1,279,052	\$ 1,229,868	\$ 1,187,925
Daypower energy Co., Ltd.	<u>102,372</u>	<u>105,395</u>	<u>-</u>
	<u>\$ 1,381,424</u>	<u>\$ 1,335,263</u>	<u>\$ 1,187,925</u>

a. Aggregate information of associates that are not individually material

	For the Three Months Ended March 31	
	2026	2025
The Group's share of:		
Gain (loss) from continuing operations	<u>\$ 10,135</u>	<u>\$ (14,350)</u>

The goodwill arising from the acquisition of Longforce Technology (Suzhou) Ltd. and Daypower Energy Co., Ltd., amounting to NT\$333,955 thousand and NT\$24,956 thousand respectively, was included in the cost of investments in associates.

14. PROPERTY, PLANT AND EQUIPMENT

			March 31, 2026	December 31, 2025	March 31, 2025					
Assets used by the Corporation			<u>\$ 73,312,902</u>	<u>\$ 70,411,788</u>	<u>\$ 56,764,344</u>					
	Land	Building	Machinery and Equipment	Office Equipment	Leasehold Improvements	Other Equipment	Construction in Progress	Advance Payments	Spare Parts	Total
<i>Cost</i>										
Balance on January 1, 2026	\$ 5,817,880	\$ 39,448,564	\$107,702,123	\$ 1,763,991	\$ 74,611	\$ 3,443,302	\$ 5,800,732	\$ 7,522,922	\$ 229,036	\$171,803,161
Additions	-	27,614	51,786	3,934	-	11,771	254,175	6,557,027	90,573	6,996,880
Disposals	(717,700)	(43,297)	(631,032)	(725)	-	(18,591)	(844)	-	(106,757)	(1,518,946)
Reclassified	-	(567,277)	3,440,680	28,287	-	46,989	505,079	(3,453,758)	-	-
Effect of foreign currency exchange differences	(33)	(3,668)	(19,146)	(1,058)	17	(12)	(604)	(376)	-	(25,068)
Balance on March 31, 2026	<u>5,100,147</u>	<u>38,861,936</u>	<u>110,544,411</u>	<u>1,794,429</u>	<u>74,440</u>	<u>3,483,459</u>	<u>6,558,538</u>	<u>10,625,815</u>	<u>212,852</u>	<u>177,256,027</u>
<i>Accumulated depreciation</i>										
Balance on January 1, 2026	-	18,193,798	78,581,057	1,469,566	2,808	2,823,414	-	-	-	101,070,643
Depreciation expenses	-	515,459	2,583,515	27,279	56	70,568	-	-	106,757	3,303,634
Disposals	-	(6,203)	(624,153)	(718)	-	(18,591)	-	-	(106,757)	(756,422)
Effects of foreign currency exchange differences	-	(1,271)	(12,676)	(1,076)	(43)	(6)	-	-	-	(15,072)
Balance on March 31, 2026	<u>-</u>	<u>18,701,783</u>	<u>80,527,743</u>	<u>1,495,051</u>	<u>2,821</u>	<u>2,875,385</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,602,783</u>
<i>Accumulated impairment</i>										
Balance on January 1, 2026	1,272	36,910	145,266	28,306	48,554	-	-	60,422	-	320,730
Recognition of impairment losses	-	-	16,911	-	-	-	-	3,408	-	20,319
Effect of foreign currency exchange differences	(3)	(92)	(454)	132	(121)	-	-	(169)	-	(707)
Balance on March 31, 2026	<u>1,269</u>	<u>36,818</u>	<u>161,723</u>	<u>28,438</u>	<u>48,433</u>	<u>-</u>	<u>-</u>	<u>63,661</u>	<u>-</u>	<u>340,342</u>
Carrying amount on March 31, 2026	<u>\$ 5,098,878</u>	<u>\$ 20,123,335</u>	<u>\$ 29,854,945</u>	<u>\$ 270,940</u>	<u>\$ 23,186</u>	<u>\$ 608,074</u>	<u>\$ 6,558,538</u>	<u>\$ 10,562,154</u>	<u>\$ 212,852</u>	<u>\$ 73,312,902</u>
Carrying amount on December 31, 2025 and January 1, 2026	<u>\$ 5,816,608</u>	<u>\$ 21,217,856</u>	<u>\$ 28,975,800</u>	<u>\$ 266,119</u>	<u>\$ 23,249</u>	<u>\$ 619,888</u>	<u>\$ 5,800,732</u>	<u>\$ 7,462,500</u>	<u>\$ 229,036</u>	<u>\$ 70,411,788</u>

(Continued)

	Land	Building	Machinery and Equipment	Office Equipment	Leasehold Improvements	Other Equipment	Construction in Progress	Advance Payments	Spare Parts	Total
Cost										
Balance on January 1, 2025	\$ 5,090,276	\$ 36,904,312	\$ 97,663,638	\$ 1,810,863	\$ 77,517	\$ 3,245,696	\$ 468,966	\$ 5,421,158	\$ 310,859	\$ 150,993,285
Additions	-	24,092	95,209	17,439	-	7,126	70,191	2,603,421	105,635	2,923,113
Disposals	-	(7,521)	(667,131)	(137,982)	-	(66,131)	-	-	(109,382)	(988,147)
Reclassified	-	426,433	2,417,380	31,193	-	28,296	(418,423)	(2,408,526)	(76,353)	-
Effect of foreign currency exchange differences	825	85,507	437,055	28,887	4,329	246	8,707	9,538	-	575,094
Balance on March 31, 2025	<u>5,091,101</u>	<u>37,432,823</u>	<u>99,946,151</u>	<u>1,750,400</u>	<u>81,846</u>	<u>3,215,233</u>	<u>129,441</u>	<u>5,625,591</u>	<u>230,759</u>	<u>153,503,345</u>
Accumulated depreciation										
Balance on January 1, 2025	-	16,281,008	73,494,830	1,551,987	3,327	2,776,965	-	-	-	94,108,117
Depreciation expenses	-	476,534	2,302,479	24,371	72	40,925	-	-	109,382	2,953,763
Disposals	-	(7,521)	(666,068)	(137,982)	-	(66,131)	-	-	(109,382)	(987,084)
Effect of foreign currency exchange differences	-	26,171	297,779	24,547	1,083	101	-	-	-	349,681
Balance on March 31, 2025	-	<u>16,776,192</u>	<u>75,429,020</u>	<u>1,462,923</u>	<u>4,482</u>	<u>2,751,860</u>	-	-	-	<u>96,424,477</u>
Accumulated impairment										
Balance on January 1, 2025	1,329	38,564	114,857	29,553	50,730	-	-	61,859	-	296,892
Recognition of impairment losses	-	-	-	-	-	-	-	169	-	169
Effect of foreign currency exchange differences	80	2,335	6,953	1,274	3,071	-	-	3,750	-	17,463
Balance on March 31, 2025	<u>1,409</u>	<u>40,899</u>	<u>121,810</u>	<u>30,827</u>	<u>53,801</u>	-	-	<u>65,778</u>	-	<u>314,524</u>
Carrying amount on March 31, 2025	<u>\$ 5,089,692</u>	<u>\$ 20,615,732</u>	<u>\$ 24,395,321</u>	<u>\$ 256,650</u>	<u>\$ 23,563</u>	<u>\$ 463,373</u>	<u>\$ 129,441</u>	<u>\$ 5,559,813</u>	<u>\$ 230,759</u>	<u>\$ 56,764,344</u>

(Concluded)

To met future capacity requirements, on November 14, 2025, the Corporation's board of directors approved the acquisition of buildings, clean rooms and related facilities located in the Hsinchu Science Park from AUO Corporation. The total transaction amount was \$6,898,000 thousand.

Tera Probe, Inc. expected a decrease in the future cash flows of advance payments, assessed that the book value of some assets cannot be recovered. Therefore, impairment losses of \$20,319 thousand and \$169 thousand was recognized in other gains and losses for the years ended March 31, 2026 and 2025.

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main plants	26-51 years
Mechanical and electrical power equipment	2-20 years
Wafer fab	2-16 years
Fire control equipment	2-20 years
Others	2-51 years
Machinery and equipment	1-15 years
Office equipment	1-15 years
Leasehold improvements	10-50 years
Other equipment	1-16 years
Spare parts	0.5 years

Property, plant and equipment pledged as collateral for bank borrowings is set out in Note 31.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Carrying amount</u>			
Land	\$ 1,617,583	\$ 1,596,527	\$ 1,228,469
Buildings	14,727	17,181	24,544
Machinery and equipment	7,637	7,930	8,867
Transportation equipment	<u>4,222</u>	<u>5,004</u>	<u>4,561</u>
	<u>\$ 1,644,169</u>	<u>\$ 1,626,642</u>	<u>\$ 1,266,441</u>

	For the Three Months Ended March 31	
	2026	2025
Additions to right-of-use assets	<u>\$ 39,800</u>	<u>\$ 25,574</u>
Depreciation charge for right-of-use assets		
Land	\$ 13,483	\$ 9,213
Buildings	2,454	2,455
Machinery and equipment	293	336
Transportation equipment	<u>780</u>	<u>593</u>
	<u>\$ 17,010</u>	<u>\$ 12,597</u>

Except for the additions listed above and recognized depreciation, the Corporation did not have significant sublease or impairment of right-of-use assets during the three months ended March 31, 2026 and 2025.

b. Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Carrying amount</u>			
Current	<u>\$ 61,391</u>	<u>\$ 60,954</u>	<u>\$ 42,967</u>
Non-current	<u>\$ 1,733,412</u>	<u>\$ 1,715,674</u>	<u>\$ 1,283,867</u>

Range of discount rates for lease liabilities was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Land	0.93%-1.69%	0.93%-1.69%	0.93%-1.69%
Buildings	2.40%-2.53%	2.40%-2.53%	2.40%-2.53%
Machinery and equipment	1.70%-2.30%	1.70%-2.30%	1.70%-2.30%
Transportation equipment	1.59%-2.30%	1.59%-2.30%	1.59%-2.30%

c. Other lease information

	For the Three Months Ended March 31	
	2026	2025
Expenses relating to short-term leases	<u>\$ 11,837</u>	<u>\$ 14,540</u>
Total cash outflow for leases	<u>\$ (27,176)</u>	<u>\$ (25,123)</u>

The Corporation leases certain office, machines and vehicles which qualify as short-term leases. The Corporation has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

16. INVESTMENT PROPERTIES

	Completed Investment Properties	Right-of-use Assets	Total
<u>Cost</u>			
Balance on March 31, 2026	\$ 297,089	\$ 83,611	\$ 380,700
Disposals	<u>-</u>	<u>(1,024)</u>	<u>(1,024)</u>
Balance on March 31, 2026	<u>\$ 297,089</u>	<u>\$ 82,587</u>	<u>\$ 379,676</u>
<u>Accumulated depreciation</u>			
Balance on January 1, 2026	\$ -	\$ -	\$ -
Depreciation expenses	<u>3,095</u>	<u>871</u>	<u>3,966</u>
Balance on March 31, 2026	<u>\$ 3,095</u>	<u>\$ 871</u>	<u>\$ 3,966</u>
Carrying amount on March 31, 2026	<u>\$ 293,994</u>	<u>\$ 81,716</u>	<u>\$ 375,710</u>
Carrying amount on December 31, 2025 and January 1, 2026	<u>\$ 297,089</u>	<u>\$ 83,611</u>	<u>\$ 380,700</u>

The abovementioned investment properties are leased out for 3 years. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating lease of investment properties was as follows:

	March 31, 2026
Year 1	\$ 33,282
Year 2	44,376
Year 3	<u>38,400</u>
	<u>\$ 116,058</u>

The investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Buildings - main buildings 24 years

The determination of fair value was performed by independent qualified professional valuers, Honest Specialty Appraiser Corporation and the fair value was measured using Level 3 inputs. The valuation was arrived at by reference to a discounted cash flow analysis. The significant unobservable inputs used include discount rates and estimated income capitalization rates. The fair value as appraised was as follows:

	December 31, 2025
Fair value hierarchy	<u>\$ 406,600</u>

As compared to December 31, 2025, the fair value as of March 31, 2026 remained unchanged.

17. INTANGIBLE ASSETS

	Computer Software	Goodwill	Business Secrets	Core Techniques	Client Relationships	Royalty	Technique Services	Total
<u>Cost</u>								
Balance at January 1, 2026	\$ 530,924	\$ 997,715	\$ 41,383	\$ -	\$ -	\$ 9,241	\$ 29,890	\$ 1,609,153
Additions	4,368	-	-	-	-	-	-	4,368
Disposals	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	(620)	-	-	-	-	(2)	-	(622)
Balance at March 31, 2026	<u>534,672</u>	<u>997,715</u>	<u>41,383</u>	<u>-</u>	<u>-</u>	<u>9,239</u>	<u>29,890</u>	<u>1,612,899</u>
<u>Accumulated amortization</u>								
Balance at January 1, 2026	425,706	-	13,449	-	-	9,203	29,890	478,248
Amortization expenses	6,115	-	1,033	-	-	-	-	7,148
Disposals	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	(454)	-	-	-	-	(2)	-	(456)
Balance at March 31, 2026	<u>431,367</u>	<u>-</u>	<u>14,482</u>	<u>-</u>	<u>-</u>	<u>9,201</u>	<u>29,890</u>	<u>484,940</u>
<u>Accumulated impairment</u>								
Balance at January 1, 2026	9,422	-	-	-	-	-	-	9,422
Effect of foreign currency exchange differences	(23)	-	-	-	-	-	-	(23)
Balance at March 31, 2026	<u>9,399</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,399</u>
Carrying amount at March 31, 2026	<u>\$ 93,906</u>	<u>\$ 997,715</u>	<u>\$ 26,901</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38</u>	<u>\$ -</u>	<u>\$ 1,118,560</u>
Carrying amount at December 31, 2025 and January 1, 2026	<u>\$ 95,796</u>	<u>\$ 997,715</u>	<u>\$ 27,934</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38</u>	<u>\$ -</u>	<u>\$ 1,121,483</u>
<u>Cost</u>								
Balance at January 1, 2025	\$ 508,130	\$ 997,715	\$ 41,383	\$ 212,684	\$ 220,775	\$ 9,283	\$ 88,894	\$ 2,078,864
Additions	7,925	-	-	-	-	-	-	7,925
Disposals	-	-	-	(212,684)	(220,775)	-	(59,004)	(492,463)
Effect of foreign currency exchange differences	14,112	-	-	-	-	57	-	14,169
Balance at March 31, 2025	<u>530,167</u>	<u>997,715</u>	<u>41,383</u>	<u>-</u>	<u>-</u>	<u>9,340</u>	<u>29,890</u>	<u>1,608,495</u>
<u>Accumulated amortization</u>								
Balance at January 1, 2025	423,678	-	9,313	212,684	220,775	9,242	88,894	964,586
Amortization expenses	5,049	-	1,033	-	-	-	-	6,082
Disposals	-	-	-	(212,684)	(220,775)	-	(59,004)	(492,463)
Effect of foreign currency exchange differences	10,710	-	-	-	-	55	-	10,765
Balance at March 31, 2025	<u>439,437</u>	<u>-</u>	<u>10,346</u>	<u>-</u>	<u>-</u>	<u>9,297</u>	<u>29,890</u>	<u>488,970</u>
<u>Accumulated impairment</u>								
Balance at January 1, 2025	9,844	-	-	-	-	-	-	9,844
Effect of foreign currency exchange differences	596	-	-	-	-	-	-	596
Balance at March 31, 2025	<u>10,440</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,440</u>
Carrying amount at March 31, 2025	<u>\$ 80,290</u>	<u>\$ 997,715</u>	<u>\$ 31,037</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43</u>	<u>\$ -</u>	<u>\$ 1,109,085</u>

The amortization of the Business secret acquired through a business combination was recognized over its useful life based on the standard appraisal practices.

The above items of intangible assets were amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	2-10 years
Royalty	10 years
Technical services	4 years
Business Secrets	10 years

	For the Three Months Ended	
	March 31	
	2026	2025
An analysis of amortization by function		
Cost of revenue	\$ 5,287	\$ 4,556
Selling and marketing expenses	3	3
General and administrative expenses	1,131	796
Research and development expenses	<u>727</u>	<u>727</u>
	<u>\$ 7,148</u>	<u>\$ 6,082</u>

18. OTHER ASSETS

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current</u>			
Refundable deposits (Note 32)	\$ 232,086	\$ 226,354	\$ 243,571
Tax refund receivables	195,191	104,613	47,341
Payment on behalf of others	142,115	154,706	83,005
Temporary payments	2,957	4,507	42,410
Others	<u>4,435</u>	<u>4,775</u>	<u>6,662</u>
	<u>\$ 576,784</u>	<u>\$ 494,955</u>	<u>\$ 422,989</u>
<u>Prepayments</u>			
Excess business tax paid	\$ 516,648	\$ 457,320	\$ 134,387
Inventory of supplies	42,906	45,376	45,979
Prepayments for insurance premiums	41,996	72,816	47,925
Prepayments for suppliers	23,060	2,409	12,693
Prepayments for repairs	16,393	21,961	20,861
Prepayments to electricity	5,361	6,992	12,103
Others	<u>110,834</u>	<u>98,001</u>	<u>53,504</u>
	<u>\$ 757,198</u>	<u>\$ 704,875</u>	<u>\$ 327,452</u>
<u>Non-current</u>			
Refundable deposits (Note 32)	\$ 197,967	\$ 251,041	\$ 448,592
Financial lease receivables	153,291	166,583	162,653
Prepaid investments	133,416	133,416	-
Prepayment for land and equipment	68,768	55,615	36,584
Others	<u>16</u>	<u>16</u>	<u>17</u>
	<u>\$ 553,458</u>	<u>\$ 606,671</u>	<u>\$ 647,846</u>

19. BORROWINGS

a. Short-term bank loans

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Unsecured borrowings</u>			
Working capital loan	<u>\$ 300,000</u>	<u>\$ -</u>	<u>\$ 66,750</u>

The effective interest rate ranges on the working capital loan were 1.93% and 1.14% as of March 31, 2026 and 2025, respectively.

b. Long-term debt

	March 31, 2026	December 31, 2025	March 31, 2025
1) Secured Borrowings (Note 31)	\$ 14,907,828	\$ 11,795,515	\$ 12,361,587
2) Unsecured Borrowings	<u>15,729,128</u>	<u>18,320,848</u>	<u>5,241,926</u>
	30,636,956	30,116,363	17,603,513
Less: Current portion	<u>(4,667,206)</u>	<u>(4,703,164)</u>	<u>(2,857,308)</u>
	<u>\$ 25,969,750</u>	<u>\$ 25,413,199</u>	<u>\$ 14,746,205</u>

1. Repayable continually from April 2026 to August 2031; interest rates at 1.275%-1.840% on March 31, 2026, 1.275%-1.840% on December 31, 2025 and 1.275%-1.685% on March 31, 2025.
2. Repayable continually from April 2026 to September 2029; interest rates at 0.600%-1.809% on March 31, 2026, 0.600%-1.809% on December 31, 2025 and 0.600%-1.808% on March 31, 2025.

20. OTHER LIABILITIES

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current</u>			
Accrued expenses and other current liabilities			
Salaries and bonus	\$ 2,018,309	\$ 2,200,095	\$ 1,925,268
Payable for utilities	384,466	395,395	341,282
Payable for insurance	264,836	280,314	267,512
Temporary payments	211,796	225,361	231,740
Agency receipts	203,347	240,365	200,342
Guarantee deposits (a)	169,540	166,580	175,918
Indemnification payable (b)	59,746	56,122	57,502
Payable for annual leave	37,379	19,979	33,515
Treasury stock settlement payable	-	-	481,632
Others	<u>2,222,171</u>	<u>2,398,400</u>	<u>2,139,515</u>
	<u>\$ 5,571,590</u>	<u>\$ 5,982,611</u>	<u>\$ 5,854,226</u>

Non-current

Other liabilities			
Guarantee deposits (a)	\$ 463,571	\$ 479,026	\$ 572,231
Others	<u>13,559</u>	<u>11,853</u>	<u>11,353</u>
	<u>\$ 477,130</u>	<u>\$ 490,879</u>	<u>\$ 583,584</u>

- a. Mainly production capacity guarantee deposits.
- b. Indemnification payables are measured at 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.

21. PROVISIONS

<u>Current</u>	March 31, 2026	December 31, 2025	March 31, 2025
Carbon fees (Note)	<u>\$ 46,939</u>	<u>\$ 31,122</u>	<u>\$ 5,852</u>

Note: Starting from 2025, the Company recognizes a provision for carbon fee liabilities in accordance with Taiwan's Carbon Fee Charging Regulations and other relevant laws. The Company has assessed that certain plants are highly likely to obtain approval from the competent authority for their voluntary reduction plans and are also highly likely to meet the designated targets for 2025. Furthermore, the Company expects to submit the implementation progress report for the 2025 voluntary reduction plan by April 30, 2026. Accordingly, the provision for carbon fee liabilities is calculated based on the applicable preferential rate.

22. RETIREMENT BENEFIT PLANS

Employee benefit expenses in respect of the Corporation's defined benefit retirement plans were \$1,911 thousand and \$1,650 thousand for the three months ended March 31, 2026 and 2025, respectively, and were calculated using the actuarially determined pension cost discount rate as of December 31, 2025 and 2024.

23. EQUITY

a. Capital stock

1) Common stock

	March 31, 2026	December 31, 2025	March 31, 2025
Shares authorized (in thousands of shares)	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>
Shares authorized (in thousands of dollars)	<u>\$ 15,000,000</u>	<u>\$ 15,000,000</u>	<u>\$ 15,000,000</u>
Shares issued and fully paid (in thousands of shares)	<u>759,147</u>	<u>759,147</u>	<u>759,147</u>
Shares issued (in thousands of dollars)	<u>\$ 7,591,466</u>	<u>\$ 7,591,466</u>	<u>\$ 7,591,466</u>

Fully paid common stock, which have a par value of \$10, carry 1 vote per share and carry a right to dividends.

Out of the shares authorized, 15,000 thousand shares were reserved for the issuance of employee share options.

b. Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
May be used to offset a deficit, distributed as cash dividends, or transferred to capital stock (1)			
Share premium	\$ 1,879	\$ 1,879	\$ 1,879
From treasury share transactions	383,538	383,538	241,088

(Continued)

	March 31, 2026	December 31, 2025	March 31, 2025
<u>May be used to offset a deficit only</u>			
Changes in percentage of ownership interests in subsidiaries (2)	\$ 72,157	\$ 72,157	\$ 72,081
Unclaimed dividends after effective period	<u>4,821</u>	<u>4,821</u>	<u>4,821</u>
	<u>\$ 462,395</u>	<u>\$ 462,395</u>	<u>\$ 319,869</u> (Concluded)

- 1) The premium from shares issued in excess of par may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital (limited to a certain percentage of the Corporation's capital surplus and once a year).
- 2) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividends policy

Under PTI's dividends policy as set forth in the Articles of Incorporation, PTI should make appropriations from its net income in the following order:

- 1) Offset deficits.
- 2) Set aside as legal reserve 10% of the remaining profit.
- 3) Appropriate as special reserve.
- 4) After the above-mentioned amounts have been deducted, any remaining profit from the previous years and the current year's undistributed retained earnings shall be used by PTI's board of directors as the basis for proposing a distribution plan, which should be resolved by the shareholders as to whether the amount should be distributed as dividends or retained within PTI.

Dividends are distributed in the form of cash, common stock or a combination of cash and common stock. In consideration of PTI being in a capital-intensive industry as well as the present and future investment environment, capital demand, market competition, capital budget, shareholders' interests, balanced dividend considerations and long-term financial plans, PTI's Articles of Incorporation provide that the total cash dividends paid in any given year should be at least 20% of total dividends distributed.

For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, refer to compensation of employees and remuneration of directors in Note 25(h).

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

When a special reserve is appropriated for cumulative net debit balance reserves from the prior period, the special reserve is only appropriated from the prior unappropriated earnings.

The appropriations of earnings for 2025 and 2024 were approved in the board of director on March 11, 2026 and in the shareholders' meeting May 28, 2025, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings	
	For the Year Ended December 31	
	2025	2024
Legal reserve	\$ 551,897	\$ 682,811
Special reserve	\$ 429,242	\$ (360,177)
Cash dividends	\$ 3,416,160	\$ 5,314,026
Cash dividends per share (NT\$)	\$ 4.5	\$ 7

The appropriations of earnings for 2025 are subject to the resolution of the shareholders in the shareholders' meeting to be held on May 27, 2026.

d. Others equity items

1) Exchange differences on translation of the financial statements of foreign operations

	For the Three Months Ended	
	March 31	
	2026	2025
Balance at January 1	\$ (769,856)	\$ (341,414)
Recognized for the period		
Exchange differences on translation of the financial statements of foreign operations	<u>231,078</u>	<u>227,086</u>
Other comprehensive income recognized for the period	<u>231,078</u>	<u>227,086</u>
Balance at March 31	\$ (538,778)	\$ (114,328)

2) Unrealized valuation gain (loss) on financial assets at FVTOCI

	For the Three Months Ended	
	March 31	
	2026	2025
Balance at January 1 and March 31	\$ (31,476)	\$ (30,676)

e. Non-controlling interests

	For the Three Months Ended	
	March 31	
	2026	2025
Balance at January 1	\$ 14,983,727	\$ 14,930,476
Share in profit for the period	542,788	403,192
Other comprehensive income (loss) for the period		
Exchange differences on translation of the financial statements of foreign entities	(3,750)	98,179
Subsidiaries purchase treasury shares	-	-
The Parent's shares held by its subsidiaries treated as treasury shares	-	(428,721)
Cash dividends to shareholders from subsidiaries	<u>(78,751)</u>	<u>(85,722)</u>
Balance at March 31	\$ 15,444,014	\$ 14,917,404

f. Treasury shares

Purpose of Buy-Back	Share Held by Subsidiary (In Thousands of Shares)
Number of shares at January 1, 2025	13,000
Addition	<u>5,895</u>
Number of shares at March 31, 2025	<u>18,895</u>
Number of shares at January 1, 2026 and March 31, 2026	<u>20,350</u>

PTI's shares held by its subsidiaries at the end of the reporting period were as follows :

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Carrying Amount	Market Price
<u>March 31, 2026</u>			
Greatek Electronics Inc.	20,350	\$3,805,450/187	\$3,805,450/187
<u>December 31, 2025</u>			
Greatek Electronics Inc.	20,350	\$3,520,550/173	\$3,520,550/173
<u>March 31, 2025</u>			
Greatek Electronics Inc.	18,895	\$2,305,190/122	\$2,305,190/122

PTI's shares held by its subsidiaries are treated as treasury shares.

24. REVENUE

	For the Three Months Ended March 31	
	2026	2025
Revenue from contracts with customers		
Revenue from packaging services	\$ 14,207,519	\$ 10,629,940
Revenue from testing services	4,771,977	3,620,621
Revenue from module services	2,322,772	1,241,406
Others	<u>11,899</u>	<u>1,969</u>
	<u>\$ 21,314,167</u>	<u>\$ 15,493,936</u>

a. Contract information

As the Corporation fulfills the obligations in the contract for testing services, the customer simultaneously receives and consumes the benefits provided by the Corporation. The Corporation has the right to revenue collection for the portion of testing services that have been fulfilled, and the revenue from testing services is recognized over time. The Corporation fulfills the obligations in the contract for packaging services when the customer creates or enhances the goods they have control of. The Corporation has the right to revenue collection for the portion of packaging services that have been fulfilled, and the revenue from packaging services is recognized over time.

b. Contract balances

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Notes and accounts receivable (including related parties) (Notes 10 and 30)	<u>\$ 19,456,988</u>	<u>\$ 18,537,158</u>	<u>\$ 14,665,536</u>	<u>\$ 15,885,215</u>
Contract assets				
Revenue from processing services	<u>\$ 3,163,442</u>	<u>\$ 3,223,604</u>	<u>\$ 2,252,927</u>	<u>\$ 2,270,869</u>
Contract liabilities				
Revenue from processing services	<u>\$ 351,848</u>	<u>\$ 259,320</u>	<u>\$ 138,443</u>	<u>\$ 145,836</u>

The changes in the contract asset and the contract liability balances primarily result from the timing difference between the Corporation's performance and the respective customer's payment.

Revenue of the reporting period recognized from the beginning contract liabilities is as follows:

	For the Three Months Ended March 31	
	2026	2025
From the contract liabilities at the beginning of the year		
Revenue from processing services	<u>\$ 134,264</u>	<u>\$ 46,567</u>

c. Disaggregation of revenue from contracts with customers

	For the Three Months Ended March 31	
	2026	2025
<u>Primary geographical markets</u>		
Taiwan (the principal place of business of the Corporation)	\$ 8,553,534	\$ 6,527,931
Japan	5,696,280	4,338,050
America	4,350,881	2,283,914
Singapore	958,363	733,236
China, Hong Kong and Macao	713,293	404,816
Europe	699,532	731,721
Others	<u>342,284</u>	<u>474,268</u>
	<u>\$ 21,314,167</u>	<u>\$ 15,493,936</u>

25. NET PROFIT FROM CONTINUING OPERATIONS

a. Other gains and losses

	For the Three Months Ended March 31	
	2026	2025
Gain on disposal of property, plant and equipment	\$ 237,665	\$ -
Fair value changes of financial assets and financial liabilities		
Financial assets mandatorily classified as at FVTPL	(1,186)	1,165
Financial liabilities classified as held for trading	4,302	1,167
Impairment loss	(20,319)	(169)
Others	<u>36,338</u>	<u>147,065</u>
	<u>\$ 256,800</u>	<u>\$ 149,228</u>

b. Interest income

	For the Three Months Ended March 31	
	2026	2025
Bank deposits	\$ 60,042	\$ 96,156
Financial assets measured at amortized cost	2,212	1,245
Net investment in leases presented	2,185	2,395
Others	<u>9</u>	<u>10</u>
	<u>\$ 64,448</u>	<u>\$ 99,806</u>

c. Other income

	For the Three Months Ended March 31	
	2026	2025
Rental income		
Operating lease rental income	<u>\$ 16,868</u>	<u>\$ 4,834</u>

d. Finance costs

	For the Three Months Ended March 31	
	2026	2025
Interest on bank loans	\$ 125,636	\$ 69,783
Interest on lease liabilities	7,664	5,689
Capitalized interest	<u>(21,923)</u>	<u>(12,702)</u>
	<u>\$ 111,377</u>	<u>\$ 62,770</u>

Information about capitalized interest was as follows:

	For the Three Months Ended March 31	
	2026	2025
Capitalized interest	\$ 21,923	\$ 12,702
Capitalization rate	1.668%-1.693%	1.565%-1.583%

e. Depreciation and amortization

	For the Three Months Ended March 31	
	2026	2025
Property, plant and equipment	\$ 3,303,634	\$ 2,953,763
Right-of-use assets	17,010	12,597
Intangible assets	7,148	6,082
Other gains and losses	<u>3,966</u>	<u>-</u>
	<u>\$ 3,331,758</u>	<u>\$ 2,972,422</u>
 An analysis of depreciation by function		
Cost of revenue	\$ 3,056,280	\$ 2,715,018
Operating expenses	264,364	251,342
Other gains and losses	<u>3,966</u>	<u>-</u>
	<u>\$ 3,324,610</u>	<u>\$ 2,966,360</u>
 An analysis of amortization by function		
Cost of revenue	\$ 5,287	\$ 4,556
Operating expenses	<u>1,861</u>	<u>1,526</u>
	<u>\$ 7,148</u>	<u>\$ 6,082</u>

Refer to Note 17 for information relating to the line items in which any amortization of intangible assets is included.

f. Operating expenses directly related to investment properties

	For the Three Months Ended March 31	
	2026	2025
Direct operating expenses of investment properties generating rental income	<u>\$ 3,966</u>	<u>\$ -</u>

g. Employee benefit expense

	For the Three Months Ended March 31	
	2026	2025
Post-employment benefits		
Defined contribution plans	\$ 144,900	\$ 131,243
Defined benefit plans (Note 22)	<u>1,911</u>	<u>1,650</u>
	146,811	132,893
Termination benefits	32	911
Other employee benefits	<u>5,305,767</u>	<u>4,019,414</u>
 Total employee benefit expense	<u>\$ 5,452,610</u>	<u>\$ 4,153,218</u>

(Continued)

	For the Three Months Ended March 31	
	2026	2025
An analysis of employee benefits expense by function		
Cost of revenue	\$ 4,648,720	\$ 3,554,544
Operating expenses	<u>803,890</u>	<u>598,674</u>
	<u>\$ 5,452,610</u>	<u>\$ 4,153,218</u> (Concluded)

h. Compensation of employees and remuneration of directors

According to the Articles of Incorporation of PTI, PTI accrues compensation of employees and remuneration of directors at the rates between 5% and 7.5% and no higher than 1.5%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In accordance with the amendment to the Securities and Exchange Act in August 2024, PTI plans to pass a resolution at the 2025 shareholders' meeting to amend its Articles of Incorporation, specifying that no less than 60% of the annual employee remuneration allocated shall be distributed to rank-and-file employees. The compensation of employees and remuneration of directors for the three months ended March 31, 2026 and 2025, respectively, were as follows:

Accrual rate

	For the Three Months Ended March 31	
	2026	2025
Compensation of employees	5.24%	6.18%
Remuneration of directors	1.05%	1.24%

Amount

	For the Three Months Ended March 31	
	2026	2025
	Cash	Cash
Compensation of employees	\$ 124,473	\$ 79,327
Remuneration of directors	24,895	15,865

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

The appropriations of compensation of employees and remuneration of directors for 2025 and 2024 that were resolved by the board of directors on May 11, 2026 and February 21, 2025, respectively, are as shown below:

	For the Year Ended December 31	
	2025	2024
	Cash	Cash
Compensation of employees	\$ 373,678	\$ 458,231
Remuneration of directors	74,736	91,646

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

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

i. Gains or losses on foreign currency exchange

	For the Three Months Ended March 31	
	2026	2025
Foreign exchange gains	\$ 311,373	\$ 217,719
Foreign exchange losses	<u>(151,829)</u>	<u>(138,307)</u>
Net gains	<u>\$ 159,544</u>	<u>\$ 79,412</u>

26. INCOME TAXES

a. Major components of tax expense recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended March 31	
	2026	2025
Current tax		
In respect of the current period	\$ 645,297	\$ 249,158
House and land transactions income tax	77,874	-
Land value increment tax	2,033	-
Adjustments for prior years	-	(14,128)
Deferred tax		
In respect of the current period	<u>45,073</u>	<u>(10,014)</u>
Income tax expense recognized in profit or loss	<u>\$ 770,277</u>	<u>\$ 225,016</u>

b. Income tax assessments

The Corporation's income tax returns through 2023 have been assessed by the tax authorities.

c. The Pillar Two income tax legislation

Tera Probe was incorporated in Japan, where the Pillar Two income tax legislation had been in effect. Under the legislation, Tera Probe will be required to pay, in Japan, a top-up tax on the profits of its subsidiaries that are taxed at an effective tax rate of less than 15 percent. Taiwan is the main jurisdiction subject to this tax. The effective tax rate is over 15% for the year ended March 31, 2026 and 2025. The Group's current tax expense related to Pillar Two income taxes for the years ended March 31, 2026 and 2025 both was \$0.

27. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Three Months Ended March 31	
	2026	2025
Basic earnings per share	<u>\$ 2.50</u>	<u>\$ 1.58</u>
Diluted earnings per share	<u>\$ 2.49</u>	<u>\$ 1.57</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share from continuing operations were as follows:

Net Profit for the Periods

	For the Three Months Ended March 31	
	2026	2025
Profit for the period attributable to owner of the Parent	\$ 1,844,043	\$ 1,175,216
Effect of potentially dilutive common stock:		
Compensation of employees	<u>-</u>	<u>-</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 1,844,043</u>	<u>\$ 1,175,216</u>

Weighted average number of common stock outstanding (in thousands of shares):

	For the Three Months Ended March 31	
	2026	2025
Weighted average number of ordinary shares used in the computation of basic earnings per share	738,797	745,836
Effect of potentially dilutive ordinary shares:		
Compensation of employees	<u>2,001</u>	<u>2,617</u>
Weighted average number of ordinary shares used in the computation of dilutive earnings per share	<u>740,798</u>	<u>748,453</u>

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

28. CAPITAL MANAGEMENT

The Corporation manages its capital to ensure its ability to continue as a going concern while maximizing the return to stakeholders. The Corporation's overall strategy remains unchanged from the previous year.

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

29. FINANCIAL INSTRUMENTS

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

March 31, 2026

	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial assets</u>					
Financial assets at amortized cost					
Domestic corporate bonds	\$ 500,002	\$ -	\$ 500,519	\$ -	\$ 500,519

December 31, 2025

	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial assets</u>					
Financial assets at amortized cost					
Domestic corporate bonds	\$ 500,002	\$ -	\$ 500,204	\$ -	\$ 500,204

March 31, 2025

	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial assets</u>					
Financial assets at amortized cost					
Domestic corporate bonds	\$ 300,001	\$ -	\$ 299,997	\$ -	\$ 299,997

The above-mentioned level 2 fair value measurement was based on quoted prices from the Taipei Exchange.

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

1) Fair value hierarchy

March 31, 2026

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	\$ -	\$ 16,524	\$ -	\$ 16,524
Financial liabilities at FVTPL				
Derivative instruments	\$ -	\$ 6,616	\$ -	\$ 6,616

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative instruments	\$ <u> -</u>	\$ <u> 29</u>	\$ <u> -</u>	\$ <u> 29</u>
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	\$ <u> -</u>	\$ <u> 16,524</u>	\$ <u> -</u>	\$ <u> 16,524</u>
Financial liabilities at FVTPL				
Derivative instruments	\$ <u> -</u>	\$ <u> 12,545</u>	\$ <u> -</u>	\$ <u> 12,545</u>

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative instruments	\$ <u> -</u>	\$ <u> 2,979</u>	\$ <u> -</u>	\$ <u> 2,979</u>
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	\$ <u> -</u>	\$ <u> 17,324</u>	\$ <u> -</u>	\$ <u> 17,324</u>
Financial liabilities at FVTPL				
Derivative instruments	\$ <u> -</u>	\$ <u> 7,236</u>	\$ <u> -</u>	\$ <u> 7,236</u>

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

2) Valuation techniques and inputs applied for the purpose of Level 2 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Derivatives - foreign currency forward contracts	Discounted cash flow: Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
Unlisted securities	Using the market approach and the binomial option pricing model to calculate the fair value.

c. Categories of financial instruments

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial assets</u>			
FVTPL			
Mandatorily classified as at FVTPL	\$ -	\$ 29	\$ 2,979
Financial assets at amortized cost (Note 1)	37,758,499	37,215,197	39,032,233
Financial assets at FVTOCI			
Equity instruments	16,524	16,524	17,324

(Continued)

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial liabilities</u>			
FVTPL			
Held for trading	\$ 6,616	\$ 12,545	\$ 7,236
Amortized cost (Note 2)	43,911,549	43,479,718	26,452,130 (Concluded)

Note 1: The balances include financial assets measured at amortized cost, which comprise cash debt investments, time deposits with original maturities of more than 3 months, notes and accounts receivable (including related parties), other receivables (including related parties), pledged time deposits and refundable deposits.

Note 2: The balances include financial liabilities measured at amortized cost, which comprise short-term loans, notes and accounts payable (including related parties), other payables (including related parties), accrued expenses, other current liabilities and long-term debt (including current portion) and guarantee deposit.

d. Financial risk management objectives and policies

The Corporation's major financial instruments included equity investments, accounts receivable, accounts payable, borrowings and lease liabilities. The Corporation's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Corporation through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Corporation sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives was governed by the Corporation's policies approved by the board of directors, which provided written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Corporation did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The corporate treasury function, an independent body that monitors risks and policies implemented to mitigate risk exposures reports quarterly to the Corporation's board of directors.

1) Market risk

The Corporation's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Corporation entered into a variety of derivative financial instruments (included forward exchange contracts) to manage its exposure to foreign currency risk.

There had been no change to the Corporation's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Corporation's operating activities are partially denominated in foreign currencies and apply natural hedge. The purpose of the Corporation's management of the foreign currency risk is to hedge against the risk instead of making a profit.

The strategy of foreign currency risk management is to review the net position exposed to foreign currency risk and manage the risk of the net position. The Corporation selects the instruments to hedge against currency exposure taking into consideration the hedging cost and period. The Corporation currently utilizes derivative financial instruments, including buy/sell foreign exchange forward contracts, to hedge against foreign currency exchange risk.

For the carrying amounts of the Corporation's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period, refer to Note 33.

The Corporation uses forward exchange contracts to reduce foreign currency risk exposure. It is the Corporation's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximize hedge effectiveness.

As net investments in foreign operations are for strategic purposes, they are not hedged by the Corporation.

Sensitivity analysis

The Corporation was mainly exposed to the USD and JPY.

The following table details the Corporation's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies. The sensitivity analysis included outstanding foreign currency denominated monetary items and foreign currency forward contracts designated as cash flow hedges and their adjusted their translation at the end of the reporting period for a 5% change in foreign currency rates. The sensitivity analysis included cash, accounts receivable (including related parties), other receivables (including related parties), accounts payable (including related parties), other payables (including related parties), short-term bank loans and long-term debt. The number below indicates the decrease/increase in pre-tax profit when the functional currency strengthens 5% against the relevant currency.

	USD Impact		JPY Impact	
	For the Three Months Ended		For the Three Months Ended	
	March 31		March 31	
	2026	2025	2026	2025
Profit or loss	\$ (431,608)	\$ (428,803)	\$ 14,781	\$ 9,293

b) Interest rate risk

As the Corporation owns assets at both fixed and floating interest rates, the Corporation is exposed to interest rate risk. The Corporation's interest rate risk also comes from borrowings at floating interest rates. Since the Corporation's bank borrowings are at floating interest rates, fluctuations in interest rates will affect cash flow in the future but will not affect the fair value.

The carrying amounts of the Corporation's financial assets and financial liabilities with exposure to interest rate risk at the end of the reporting period were as follows.

	March 31,	December 31,	March 31,
	2026	2025	2025
Fair value interest rate risk			
Financial assets	\$ 7,949,080	\$ 8,126,414	\$ 8,241,505
Financial liabilities	3,243,473	3,336,844	1,109,719
Cash flow interest rate risk			
Financial assets	8,838,034	8,940,601	14,676,775
Financial liabilities	29,488,286	28,556,147	16,560,544

Sensitivity analysis

The sensitivity analysis below was determined based on the Corporation's exposure to interest rate risk for non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis was prepared assuming the amount of both the assets and the liabilities outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 0.1% higher/lower and all other variables were held constant, the Corporation's pre-tax profit for the three months ended March 31, 2026 and 2025 would decrease/increase by \$5,163 thousand and \$471 thousand, respectively, which was mainly attributable to the Corporation's exposure to interest rate risk on its variable-rate net liabilities.

c) Other price risk

The Corporation was exposed to equity price risk through its investments in listed equity securities. Equity investments are held for strategic rather than trading purposes. The Corporation does not actively trade these investments. The Corporation's equity price risk was mainly concentrated on equity instruments in the electronics industry sector quoted in the Taipei Exchange.

Sensitivity analysis

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

If equity prices had been 5% higher/lower, the Corporation's post-tax other comprehensive income for the three months ended March 31, 2026 and 2025 would have increase/decrease by \$826 thousand and \$866 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

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

In order to minimize credit risk, the management of the Corporation has set up an approach for credit and accounts receivable management to ensure that follow-up action is taken to recover overdue debt. In addition, the Corporation reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

In this regard, the directors of the Corporation consider that the Corporation's credit risk was significantly reduced.

The credit risk on liquid funds and derivatives was limited because the counterparties are banks with good credit ratings.

The counterparties of trade receivables cover a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of trade receivables.

The Corporation's concentration of credit risk was related to the three largest customers within the Corporation. Besides the aforementioned customers, there was no other customer that accounted for 10% of total gross accounts receivable at any time during the period. The three largest customers are creditworthy counterparties, therefore, the Corporation believes the concentration of credit risk is insignificant for the remaining accounts receivable.

Credit risk management for investments in debt instruments

The Corporation only invests in debt instruments that are rated the equivalent of investment grade or higher and have low credit risk for the purpose of impairment assessment. The credit rating information is supplied by independent rating agencies. The Corporation's exposure and the external credit ratings are continuously monitored. The Corporation reviews changes in bond yields and other public information and makes an assessment whether there has been a significant increase in credit risk since the last period to the reporting date.

The Corporation considers the historical default rates of each credit rating supplied by external rating agencies, the current financial condition of debtors, and industry forecasts to estimate 12-month or lifetime expected credit losses. The Corporation's current credit risk grading framework comprises the following categories:

Category	Description	Basis for Recognizing Expected Credit Losses	Expected Loss Rate
Performing	The counterparty has a low risk of default and a strong capacity to meet contractual cash flows	12-month ECL	-

3) Liquidity risk

The Corporation manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Corporation's operations and mitigate the effects of fluctuations in cash flows.

The Corporation relies on bank borrowings as a significant source of liquidity. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Corporation had available unutilized overdraft and short-term bank loan facilities of approximately \$1,010,589 thousand, \$591,623 thousand and \$542,648 thousand, respectively.

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

The following table details the Corporation's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Corporation can be required to pay. The tables include both interest and principal cash flows.

Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

March 31, 2026

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing liabilities	\$ 4,417,311	\$ 6,402,123	\$ 1,522,048	\$ -	\$ -
Lease liabilities	7,656	15,313	68,250	331,472	1,895,859
Fixed interest rate liabilities	-	107,661	322,984	1,018,025	-
Variable interest rate liabilities	60,058	1,307,804	3,168,699	24,761,249	190,476
Guarantee deposits	<u>26,395</u>	<u>15,990</u>	<u>127,155</u>	<u>461,155</u>	<u>2,416</u>
	<u>\$ 4,511,420</u>	<u>\$ 7,848,891</u>	<u>\$ 5,209,136</u>	<u>\$ 26,571,901</u>	<u>\$ 2,088,751</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	\$ 91,219	\$ 331,472	\$ 367,918	\$ 364,918	\$ 364,758	\$ 798,265
Variable interest rate liabilities	<u>\$ 4,536,561</u>	<u>\$ 24,761,249</u>	<u>\$ 190,476</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Guarantee deposits	<u>\$ 169,540</u>	<u>\$ 461,155</u>	<u>\$ 2,400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16</u>

December 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing liabilities	\$ 4,459,729	\$ 6,855,858	\$ 1,402,161	\$ -	\$ -
Lease liabilities	7,560	15,121	67,817	377,086	1,828,199
Fixed interest rate liabilities	-	107,930	323,790	1,128,496	-
Variable interest rate liabilities	60,058	1,007,803	3,203,583	23,979,941	304,762
Guarantee deposits	<u>25,927</u>	<u>15,719</u>	<u>124,935</u>	<u>476,610</u>	<u>2,416</u>
	<u>\$ 4,553,274</u>	<u>\$ 8,002,431</u>	<u>\$ 5,122,286</u>	<u>\$ 25,962,133</u>	<u>\$ 2,135,377</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	\$ 90,498	\$ 377,086	\$ 362,337	\$ 359,337	\$ 359,057	\$ 747,468
Variable interest rate liabilities	<u>\$ 4,271,444</u>	<u>\$ 23,979,941</u>	<u>\$ 304,762</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Guarantee deposits	<u>\$ 166,581</u>	<u>\$ 476,610</u>	<u>\$ 2,400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16</u>

March 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing liabilities	\$ 3,045,696	\$ 4,123,667	\$ 864,355	\$ -	\$ -
Lease liabilities	5,419	10,839	48,829	217,555	1,478,828
Fixed interest rate liabilities	57,850	85,106	208,594	758,169	-
Variable interest rate liabilities	-	-	2,572,508	13,340,417	647,619
Guarantee deposits	<u>27,388</u>	<u>16,591</u>	<u>131,939</u>	<u>569,757</u>	<u>2,474</u>
	<u>\$ 3,136,353</u>	<u>\$ 4,236,203</u>	<u>\$ 3,826,225</u>	<u>\$ 14,885,898</u>	<u>\$ 2,128,921</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	\$ 65,087	\$ 217,555	\$ 239,143	\$ 236,143	\$ 235,503	\$ 768,039
Variable interest rate liabilities	<u>\$ 2,572,508</u>	<u>\$ 13,340,417</u>	<u>\$ 647,619</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Guarantee deposits	<u>\$ 175,918</u>	<u>\$ 569,757</u>	<u>\$ 2,458</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16</u>

b) Liquidity and interest rate risk table for derivative financial liabilities

The following table details the Corporation's liquidity analysis of its derivative financial instruments. The table is based on the undiscounted gross inflows and outflows on those derivatives that require gross settlement.

March 31, 2026

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year
<u>Gross settled</u>			
Foreign exchange forward contracts			
Inflows	\$ 4,172	\$ 117,377	\$ 120,009
Outflows	<u>(4,471)</u>	<u>(120,892)</u>	<u>(122,811)</u>
	<u>\$ (299)</u>	<u>\$ (3,515)</u>	<u>\$ (2,802)</u>

December 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year
<u>Gross settled</u>			
Foreign exchange forward contracts			
Inflows	\$ 219,081	\$ 252,989	\$ 129,351
Outflows	<u>(224,120)</u>	<u>(259,142)</u>	<u>(130,675)</u>
	<u>\$ (5,039)</u>	<u>\$ (6,153)</u>	<u>\$ (1,324)</u>

March 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year
<u>Gross settled</u>			
Foreign exchange forward contracts			
Inflows	\$ 446,012	\$ 242,855	\$ 157,633
Outflows	<u>(450,250)</u>	<u>(242,920)</u>	<u>(157,587)</u>
	<u>\$ (4,238)</u>	<u>\$ (65)</u>	<u>\$ 46</u>

c) Financing facilities

	March 31, 2026	December 31, 2025	March 31, 2025
Secured bank loan facilities which may be mutually extended			
Amount used	\$ 14,907,828	\$ 30,116,363	\$ 12,361,587
Amount unused	<u>1,000,000</u>	<u>9,900,000</u>	<u>5,500,000</u>
	<u>\$ 15,907,828</u>	<u>\$ 40,016,363</u>	<u>\$ 17,861,587</u>

30. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between PTI and its subsidiaries, which were related parties of PTI, had been eliminated on consolidation and are not disclosed in this note. Details of transactions between PTI and other related parties are disclosed below.

a. Related Party Name and Relationship

<u>Related Party Name</u>	<u>Relationship with the Corporation</u>
Kioxia Corporation	Substantial related parties
Kingston Technology International Ltd.	Substantial related parties
Kingston Digital International Ltd.	Substantial related parties
Longforce Technology (Suzhou) Ltd. (Note)	Associate
Daypower Energy Co., Ltd.	Associate
Kingston Solution, Inc.	Substantial related parties
Kingston Technology Far East Corp.	Substantial related parties
Solid State Storage Technology Corporation	Substantial related parties
Realtek Singapore Private Limited	Substantial related parties
Realtek Semiconductor Corp.	Substantial related parties
Raymx Microelectronic Corp.	Substantial related parties
PTI Education Foundation	Substantial related parties

b. Sales of goods

Line Item	Related Party Category/Name	<u>For the Three Months Ended</u>	
		<u>March 31</u>	
		2026	2025
Sales of goods	Substantial related parties		
	Kioxia Corporation	\$ 3,967,179	\$ 2,958,384
	Others	<u>494,216</u>	<u>499,687</u>
		<u>\$ 4,461,395</u>	<u>\$ 3,458,071</u>

Sales transactions with related parties were based on normal commercial prices and terms. In general, the payment terms for the sales of the Corporation is from 30 days to 150 days starting from the first day of the month following the invoice date.

c. Purchases

Related Party Category	<u>For the Three Months Ended</u>	
	<u>March 31</u>	
	2026	2025
Substantial related parties	<u>\$ 207,985</u>	<u>\$ 93,303</u>

The purchase prices and payment terms were based on negotiations and thus not comparable transactions in the market.

d. Cost of revenue

Related Party Category	For the Three Months Ended March 31	
	2026	2025
Associates	<u>\$ 9,145</u>	<u>\$ 8,451</u>

Operating costs mainly was subcontract costs.

e. Operation expense

Related Party Category	For the Three Months Ended March 31	
	2026	2025
Substantial related parties	<u>\$ -</u>	<u>\$ 3,000</u>

Mainly was donation.

f. Other gains and losses

Related Party Category	For the Three Months Ended March 31	
	2026	2025
Substantial related parties		
Kioxia Corporation	\$ (20,487)	\$ 4,190
Others	<u>6</u>	<u>-</u>
	(20,481)	4,190
Associates	<u>957</u>	<u>987</u>
	<u>\$ (19,524)</u>	<u>\$ 5,177</u>

Other gains and losses mainly include the purchase and sales of raw materials, the difference between collections and payment transfers, technology service revenue and compensation. The purchase and sales of raw materials were based on conditions agreed by both parties for which there are no comparable transactions in the market.

g. Contract assets

Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Substantial related parties			
Kioxia Corporation	\$ 803,707	\$ 884,382	\$ 529,455
Others	<u>91,751</u>	<u>89,000</u>	<u>108,351</u>
	<u>\$ 895,458</u>	<u>\$ 973,382</u>	<u>\$ 637,806</u>

For the three months ended March 31, 2026 and 2025, no impairment loss was recognized for contract assets from related parties.

h. Accounts receivable from related parties (excluding loans to related parties and contract assets)

Line Item	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable from related parties	Substantial related parties			
	Kioxia Corporation	\$ 4,466,238	\$ 4,779,738	\$ 4,495,160
	Others	<u>427,618</u>	<u>394,227</u>	<u>421,993</u>
		<u>\$ 4,893,856</u>	<u>\$ 5,173,965</u>	<u>\$ 4,917,153</u>

The outstanding accounts receivable from related parties are unsecured. For the three months ended March 31, 2026 and 2025, no impairment loss was recognized for accounts receivables from related parties.

i. Payables to related parties (excluding loans from related parties)

Line Item	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Accounts payable from related parties	Substantial related parties			
	Solid State Storage Technology Corporation	<u>\$ 149,724</u>	<u>\$ 146,719</u>	<u>\$ 55,241</u>

The outstanding accounts payable from related parties are unsecured.

j. Other receivables from related parties

Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Substantial related parties			
Kioxia Corporation	\$ 5,982	\$ 11,218	\$ 35,621
Realtek Semiconductor Corp.	609	12,662	-
Others	<u>-</u>	<u>7</u>	<u>1,760</u>
	6,591	23,887	37,381
Associates			
Longforce Technology (Suzhou) Ltd.	<u>640</u>	<u>650</u>	<u>1,158</u>
	<u>\$ 7,231</u>	<u>\$ 24,537</u>	<u>\$ 38,539</u>

k. Other payables from related parties

Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Substantial related parties			
Kioxia Corporation	\$ 77,690	\$ 39,202	\$ 75,537
Associates			
Longforce Technology (Suzhou) Ltd.	<u>9,195</u>	<u>11,235</u>	<u>7,732</u>
	<u>\$ 86,885</u>	<u>\$ 50,437</u>	<u>\$ 83,269</u>

l. Payable to equipment suppliers

Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Substantial related party	\$ <u> -</u>	\$ <u> 2,879</u>	\$ <u> -</u>

m. Acquisition of property, plant and equipment

Related Party Type	For the Three Months Ended March 31	
	2026	2025
Substantial related party	\$ <u> 8,025</u>	\$ <u> -</u>

n. Prepayments for investments

Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Associates			
Daypower Energy Co., Ltd.	\$ <u> 133,416</u>	\$ <u> 133,416</u>	\$ <u> -</u>

In October 2025, the Corporation entered into a share purchase agreement with Daypower Energy Co., Ltd. with a total contract amount of NT\$938,158 thousand. The first installment of NT\$133,416 thousand was paid in November 2025. The contract price was mutually agreed upon by both parties, and no other comparable transactions were available as reference.

o. Compensation of key management personnel

	For the Three Months Ended March 31	
	2026	2025
Short-term benefits	\$ 112,306	\$ 86,634
Post-employment benefits	<u> 614</u>	<u> 638</u>
	\$ <u> 112,920</u>	\$ <u> 87,272</u>

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

31. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were mainly provided for long-term bank loans, customs surety bonds, bank guarantees, bonded warehouse guarantee deposits and lease deposits:

Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Property, plant and equipment	\$ 10,577,529	\$ 11,098,477	\$ 12,970,488
Restricted deposits (classified as financial assets at amortized cost - current)	-	-	33,182
Pledge deposits (classified as financial assets at amortized cost - non-current)	<u> 307,745</u>	<u> 253,717</u>	<u> 252,604</u>
	\$ <u> 10,885,274</u>	\$ <u> 11,352,194</u>	\$ <u> 13,256,274</u>

32. SIGNIFICANT COMMITMENTS AND CONTINGENCIES

In addition to the contents disclosed in other notes, the Corporation has the following significant/commitments and contingencies in the balance sheet:

- a. From March 2023 to February 2024, January to March 2025, March 2025 and March to October 2025, PTI signed the purchase agreements of equipment worth \$560,735 thousand, \$655,271 thousand, \$561,962 thousand and \$664,003 thousand with Disco Hi-Tec Taiwan Co., Ltd., respectively. As of March 31, 2026, PTI has paid a total of \$560,735 thousand, \$630,566 thousand, \$519,012 thousand and \$100,474 thousand, respectively.
- b. From February to April 2024, PTI signed a purchase agreement for equipment worth \$547,973 thousand with Applied Materials South East Asia. As of the end of March 31, 2026, PTI has paid a total of \$538,062 thousand.
- c. From March to December 2024, PTI signed a purchase agreement for equipment worth \$530,538 thousand with Tokyo Electron Limited. As of the end of March 31, 2026, PTI has paid a total of \$517,433 thousand.
- d. From November to December 2025, PTI signed a purchase agreement for plant and wafer fab worth \$969,600 thousand with Jiu Han System Technology Co., Ltd. As of the end of March 31, 2026, PTI has paid a total of \$11,880 thousand.
- e. From February 2025 to February 2026, PTI signed a purchase agreement for equipment worth \$512,815 thousand with ASMPT Technology Limited Taiwan Branch. As of the end of March 31, 2026, PTI has paid a total of \$128,222 thousand.
- f. From August 2025 to February 2026, PTI signed a purchase agreement for equipment worth \$509,740 thousand with Lam Research International Sdn. Bhd. As of the end of March 31, 2026, PTI has paid a total of \$155,257 thousand.
- g. From October 2025 to February 2026, PTI signed a purchase agreement for equipment worth \$795,104 thousand with Onto Innovation Inc. As of the end of March 31, 2026, PTI has paid a total of \$47,019 thousand.
- h. From March 2025 to February 2026, PTI signed a purchase agreement for equipment worth \$754,240 thousand with Jetinn Global Equipment Ltd., Taiwan Branch. As of the end of March 31, 2026, PTI has paid a total of \$352,014 thousand.
- i. From February 2025 to February 2026, PTI signed a purchase agreement for equipment worth \$751,723 thousand with TOWA CORPORATION. As of the end of March 31, 2026, PTI has paid a total of \$224,384 thousand.
- j. From April 2026, PTI signed a purchase agreement for equipment worth \$705,250 thousand with Marketech International Corp. As of the end of March 31, 2026, PTI has paid a total of \$5,276 thousand.
- k. From February 2025 to February 2026, PTI signed a purchase agreement for equipment worth \$599,270 thousand with Marketech International Corp. As of the end of March 31, 2026, no payment has been paid.

- l. From March 2025 to February 2026, PTI signed a purchase agreements for equipment worth \$509,663 thousand with C SUN MFG. As of the end of March 31, 2026, PTI has paid a total of \$6,000 thousand.
- m. From April 2025 to March 2026, PTI signed a purchase agreements for equipment worth \$861,076 thousand with Grand Process Technology Crop.. As of the end of March 31, 2026, PTI has paid a total of \$4,432 thousand.
- n. As of March 31, 2026, PTI unused letters of credit for purchases of machinery and equipment amounted to approximately JPY\$60,000 thousand and US\$1,254 thousand.
- o. In November 2021, PTI entered into capacity reservation agreements with Zhen Ding Technology Co., Ltd. The deposits in a required aggregate amount of US\$35,000 thousand were paid to suppliers in compliance with the agreements and refunded to PTI when terms set forth in the agreements have been satisfied. According to the agreements, the deposits will be refunded in 58 installments starting from March 2023. As of March 31, 2026, the Corporation has paid a total of recovered US\$22,200 thousand.
- p. From June to August 2025, August to December 2025 and December 2025 to January 2026 and January to April 2026, TeraPower Technology Inc. signed the purchase agreements of equipment worth \$1,274,235 thousand, \$889,961 thousand, \$772,009 thousand and 3,066,585 thousand with Advantest Corporation respectively. As of March 31, 2026, TeraPower Technology Inc. has paid a total of \$1,274,235 thousand, \$329,694 thousand, \$15,778 thousand, and \$64,985 thousand, respectively.
- q. From June 2024 to June 2025, TeraPower Technology Inc. signed the purchase agreements of equipment worth \$522,050 thousand with Hon. Precision, Inc. respectively. As of the end March 31, 2026, TeraPower Technology Inc. has paid a total of \$518,365 thousand.
- r. From June to December 2025, TeraPower Technology Inc. signed the purchase agreements of equipment worth \$828,000 thousand with Hon. Precision, Inc. respectively. As of the end March 31, 2026, no payment has been paid.
- s. From July 2024 to June 2025, TeraPower Technology Inc. signed a purchase agreement for equipment worth \$501,549 thousand with TERADYNE (ASIA) PTE LTD. As of the end of March 31, 2026, TeraPower Technology Inc. has paid a total of \$501,549 thousand.
- t. From June 2025 to April 2026, TeraPower Technology Inc. signed a purchase agreement for equipment worth \$1,441,789 thousand with Tokyo Electron Limited. As of the end of March 31, 2026, TeraPower Technology Inc. has paid a total of \$105,156 thousand.
- u. On January 13, 2026, TeraPower Technology Inc. passed a resolution at its Board of Directors meeting authorizing the Chairman to execute contracts and handle all related matters pertaining to the acquisition of operational real estate within a limit of \$2 billion. Subsequently, on January 27, 2026, the Company entered into a real estate purchase agreement with Darwin Precisions Corporation to acquire land and buildings located in the Zhongxing Section of Hukou Township, Hsinchu County. The total contract amount is \$1,780,000 thousand.
- v. From July 2021 to July 2022, Tera Probe, Inc. signed a purchase agreement for equipment worth \$640,534 thousand with Teradyne, Inc. As of the end of March 31, 2026, Tera Probe, Inc. has paid a total of \$609,928 thousand.
- w. From March to September 2025, Tera Probe, Inc. signed the purchase agreements of equipment worth \$592,894 thousand with Advantest Corporation respectively. As of the end of March 31, 2026, Tera Probe, Inc. has paid a total of \$199,902 thousand.

December 31, 2025			
	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial liabilities</u>			
Monetary items			
USD	\$ 445,199	31.4380 (USD:NTD)	\$ 13,996,166
USD	2,645	156.5700 (USD:JPY)	83,154
EUR	1,104	36.8988 (EUR:NTD)	40,736
JPY	4,390,273	0.2008 (JPY:NTD)	<u>881,567</u>
			<u>\$ 15,001,623</u>
Non-monetary items			
USD	52	31.4380 (USD:NTD)	\$ 1,623
JPY	54,393	0.2008 (JPY:NTD)	<u>10,922</u>
			<u>\$ 12,545</u> (Concluded)

March 31, 2025			
	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 515,174	33.1820 (USD:NTD)	\$ 17,094,504
USD	5,391	149.1400 (USD:JPY)	178,884
JPY	1,446,269	0.2225 (JPY:NTD)	321,795
SGD	155	0.7447 (SGD:USD)	3,830
RMB	4,991	0.1360 (RMB:USD)	<u>22,838</u>
			<u>\$ 17,621,851</u>
Non-monetary items			
JPY	13,390	0.2225 (JPY:NTD)	<u>\$ 2,979</u>
<u>Financial liabilities</u>			
Monetary items			
USD	261,997	33.1820 (USD:NTD)	\$ 8,693,584
USD	113	149.1400 (USD:JPY)	3,750
EUR	1,242	35.9427 (EUR:NTD)	44,641
JPY	2,281,554	0.2225 (JPY:NTD)	<u>507,646</u>
			<u>\$ 9,249,621</u>
Non-monetary items			
USD	200	33.1820 (USD:NTD)	\$ 6,628
JPY	2,734	0.2225 (JPY:NTD)	<u>608</u>
			<u>\$ 7,236</u>

For the three months ended March 31, 2026 and 2025, realized and unrealized net foreign exchange gains were \$159,544 thousand and \$79,412 thousand, respectively. It is impractical to disclose net foreign exchange gains by each significant foreign currency due to the variety of the foreign currency transactions and currencies of the entities in the Corporation.

34. SEPARATELY DISCLOSED ITEMS

Except for the following, the Corporation has no other significant transactions, investees and investments in mainland China that need to be disclosed as required by the Securities and Futures Bureau.

- a. Financing provided to others: Table 1 (attached).
- b. Endorsements/guarantees provided: None.
- c. Significant marketable securities held: Table 2 (attached).
- d. Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital: Table 3 (attached).
- e. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 4 (attached).
- f. Intercompany relationships and significant intercompany transactions: Table 5 (attached).
- g. Information of investees: Table 6 (attached).
- h. Information on investments in mainland China: Table 7 (attached).

Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investments at the end of the period, repatriations of investment income, and limit on the amount of investments in the mainland China area: Note 34 (f).

35. SEGMENT INFORMATION

The revenue, operating results and financial information of each plant presented to the chief operating decision maker are consistent with the information in the consolidated financial statements. The segment revenues and operating results for the three months ended March 31, 2026 and 2025 are shown in the consolidated income statements for the three months ended March 31, 2026 and 2025. The segment assets as of March 31, 2026, December 31, 2025 and March 31, 2025 are shown in the consolidated balance sheets as of March 31, 2026, December 31, 2025 and March 31, 2025.

POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

LOAN OF FUNDS TO OTHERS

MARCH 31, 2026

(In Thousands of New Taiwan Dollars)

Lending Company	Loan Recipients	Items	Relationship with the Holding Company	Maximum Balance for the Period	Closing Balance	Closing Balance Actual Expenditure	Interest Rate (%)	Types of Funding	Amount of Transactions	Reasons for Short-term Funding	Allowance for Doubtful Accounts	Guarantees		Limit on Funding for Individual Targets (Notes 1 and 2)	Capital Loan and Aggregate Limit (Notes 1 and 2)	Notes
												Name	Value			
Powertech Technology (Singapore) Pte. Ltd.	Powertech Technology Inc.	Other trade receivables	Y	\$ 3,134,040	\$ 3,134,040	\$ 3,134,040	1.75-2	Short-term financing	\$ -	Operating turnover	\$ -	-	\$ -	\$ 3,639,206	\$ 3,639,206	1
PTI Technology (Singapore) Pte. Ltd.	Powertech Technology Inc.	Other trade receivables	Y	2,398,500	2,398,500	2,398,500	2	Short-term financing	-	Operating turnover	-	-	-	3,841,626	3,841,626	1
Powertech Technology Japan Ltd.	Powertech Technology Inc.	Other receivables	Y	383,760	383,760	383,760	1.45	Short-term financing	-	Operating turnover	-	-	-	3,221,255	3,221,255	1

Note 1: Foreign subsidiaries whose voting shares are 100% owned, directly or indirectly, by the Company as a lender, the aggregate lending amount and the amount lending to a single company shall not exceed 100% of the Company's net worth as stated in its latest financial statement.

POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD

MARCH 31, 2026

(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2026				Note
				Number of Shares (In Thousands)	Carrying Value	% of Ownership	Fair Value	
Powertech Technology Inc.	<u>Shares</u> Solid state system Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	1,333	\$ 16,524	2	\$ 16,524	Note 3
Greatek Electronics Inc.	<u>Bond</u> P13 Taipower 2A	-	Financial assets at amortized cost - non-current	200	200,001	-	200,371	Note 2
	P14 Taipower 1B	-	Financial assets at amortized cost - non-current	200	200,001	-	199,997	Note 2
	P13 CPC Corporation, Taiwan ZA	-	Financial assets at amortized cost - non-current	100	100,000	-	100,151	Note 2
	<u>Stock</u> Powertech Technology Inc.	Parent entity	Financial assets at fair value through other comprehensive income - non-current	20,350	3,805,450	3	3,805,450	Note 1
	Daypower Energy Co., Ltd	Other related parties	Financial assets at fair value through other comprehensive income - non-current	2,000	40,000	8	40,000	Note 4
	SAMHOP Microelectronics Corp.	-	Financial assets at fair value through profit or loss - non-current	268	-	3	-	Note 4
	Terawins Inc.	-	Financial assets at fair value through profit or loss - non-current	643	-	2	-	Note 4
Airwave Technologies Inc.	-	Financial assets at fair value through profit or loss - non-current	93	-	1	-	Note 4	

Note 1: The fair value was based on stock closing price as of March 31, 2026.

Note 2: The fair value was based on trading market in hundreds of new Taiwan dollars as of March 31, 2026.

Note 3: The fair value of privately placed shares was determined using valuation techniques as of March 31, 2026.

Note 4: The fair value was based on the carrying value as of March 31, 2026.

Note 5: As of March 31, 2026, the above marketable securities had not been pledged or mortgaged.

Note 6: The securities listed in this table are disclosed based on the Company's assessment of materiality.

POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) Receivable		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Powertech Technology Inc.	Kioxia Corporation Kingston Solution, Inc.	Corporate director's parent company The ultimate parent company of the related party is the juristic-person director of the Corporation	Sale	\$ 3,904,381	27.58	Note 1	\$ -	-	\$ 4,404,222	33.23	-
			Sale	105,905	0.75	Note 1	-	-	72,237	0.55	-
	Solid State Storage Technology Corporation	Corporate director's parent company	Purchase	207,985	3.58	Note 1	-	-	149,724	2.51	-
Greatek Electronics Inc.	Realtek Semiconductor Corp.	Parent company of Greatek Electronics Inc.'s corporate director.	Sale	199,966	4	Net 60 days from monthly closing date	Note 2	Quite	214,361	6	-
	Realtek Singapore Private Limited	Same parent company with Greatek Electronics Inc.'s corporate director.	Sale	103,826	2	Net 60 days from monthly closing date	Note 2	Quite	97,879	3	-

Note 1: 35 to 90 days after the end of the month of the invoice date.

Note 2: The sales price of Greatek Electronics Inc. sold to related parties is determined based on general trading practices.

POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NTS100 MILLION OR 20% OF THE PAID-IN CAPITAL

MARCH 31, 2026

(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debt
					Amount	Action Taken		
Powertech Technology Inc.	Kioxia Corporation	Corporate director's parent company	\$ 4,404,222	3.42	\$ -	-	\$ 1,679,514	\$ -
Greatek Electronics Inc.	Realtek Semiconductor corp.	Parent company of Greatek Electronics Inc.'s corporate director	214,361	3.65	-	-	73,586	-

POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS

FOR THE THREE MONTHS ENDED MARCH 31, 2026

(In Thousands of New Taiwan Dollars)

Company Name	Counterparty	Transaction Flow	Intercompany Transactions			Percentage to Consolidated Total Gross Sales or Total Assets
			Financial Statement Item	Amount	Terms	
Powertech Technology Inc.	TeraPower Technology Inc.	1	Sales	\$ 494	Note 3	-
	TeraPower Technology Inc.	1	Sales	1,264	Note 3	-
	Greatek Electronics Inc.	1	Sales	5,650	Note 2	-
	TeraPower Technology Inc.	1	Subcontract costs	52,776	Note 2	-
	Greatek Electronics Inc.	1	Subcontract costs	54,598	Note 2	-
	Powertech Technology (Japan) Ltd.	1	Operating expenses	140	Note 2	-
	TeraPower Technology Inc.	1	Other gains and loss	22,979	Note 2	-
	Greatek Electronics Inc.	1	Other gains and loss	22,671	Note 2	-
	TeraPower Technology Inc.	1	Purchase of property, plant and equipment	100	Note 2	-
	Powertech Technology (Singapore) Pte. Ltd.	1	Short-term borrowings	3,134,040	Note 2	2%
	PTI Technology (Singapore) Pte. Ltd.	1	Short-term borrowings	2,398,500	Note 2	2%
	Powertech Technology (Japan) Ltd.	1	Short-term borrowings	383,760	Note 2	-
	Powertech Technology (Singapore) Pte. Ltd.	1	Net interest expense	14,292	Note 2	-
	PTI Technology (Singapore) Pte. Ltd.	1	Net interest expense	10,096	Note 2	-
	Powertech Technology (Japan) Ltd.	1	Net interest expense	1,392	Note 2	-
	Tera Probe, Inc.	1	Other receivables from related parties	33	Note 2	-
	TeraPower Technology Inc.	1	Other receivables from related parties	2,468	Note 2	-
	Greatek Electronics Inc.	1	Other receivables from related parties	22,681	Note 2	-
	TeraPower Technology Inc.	1	Accounts receivable from related parties	613	Note 3	-
	Greatek Electronics Inc.	1	Accounts receivable from related parties	4,209	Note 3	-
	TeraPower Technology Inc.	1	Contract assets	24	Note 2	-
	Greatek Electronics Inc.	1	Contract assets	1,459	Note 2	-
	Powertech Technology (Japan) Ltd.	1	Other payables to related parties	23,510	Note 2	-
	TeraPower Technology Inc.	1	Other payables to related parties	50,787	Note 2	-
	Greatek Electronics Inc.	1	Other payables to related parties	93,007	Note 2	-
	Powertech Technology (Singapore) Pte. Ltd.	1	Other payables to related parties	8,370	Note 2	-
	PTI Technology (Singapore) Pte. Ltd.	1	Other payables to related parties	7,462	Note 2	-
	TeraPower Technology Inc.	1	Payables to equipment suppliers	105	Note 2	-
	Tera Probe, Inc.	1	Other receivables from related parties	53,615	Note 2	-
	Greatek Electronics Inc.	1	Get-team Tech Corporation	50,768	Note 2	-
	Get-team Tech Corporation	1	Accounts payable to related parties	20,556	Note 2	-

Note 1: No. 1 - from the parent company to the subsidiary. No. 2 - from the subsidiary to the subsidiary.

Note 2: The transactions for related parties were negotiated and thus not comparable with those in the market.

Note 3: The selling prices with subsidiaries were negotiated and thus not comparable with those in the market, and the collection period with subsidiaries was same as common customer.

Note 4: The disclosure of significant transactions in this table is subject to the Company's assessment of materiality.

POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

INFORMATION OF INVESTEES
MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2026			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				March 31, 2026	December 31, 2025	Number of Shares (In Thousands)	% of Ownership	Carrying Value			
Powertech Technology Inc.	TeraPower Technology Inc.	Hsinchu	Wafer probing test services	\$ 1,153,964	\$ 1,153,964	73,386	49	\$ 4,544,856	\$ 530,157	\$ 262,599	Notes 1 and 2
	Powertech Holding (BVI) Inc.	British Virgin Islands	Investment business	1,679,370	1,679,370	50	100	3,883,341	23,355	23,355	Note 3
	Greatek Electronics Inc.	Miaoli	Semiconductor assembly and testing services	6,169,948	6,169,948	244,064	43	10,187,886	796,736	340,401	Note 1
	Powertech Technology (Singapore) Pte. Ltd.	Singapore	Investment business	USD 69,000	USD 69,000	69,000	100	3,639,206	16,937	16,937	Note 3
	Powertech Technology Japan Ltd.	Japan	Investment business	USD 103,052	USD 103,052	-	100	4,442,833	103,127	103,127	Notes 2 and 3
	Tera Probe, Inc.	Japan	Wafer probing test services	\$ 230,616	\$ 230,616	1,077	12	626,344	222,517	28,676	Notes 2 and 3
	Daypower Energy Co., Ltd.	New Taipei, Taiwan	Waste treatment	60,000	60,000	3,000	11	61,423	(12,889)	(1,814)	
Greatek Electronics Inc.	Get-Team Tech Corporation	Hsinchu	Metal plating on semiconductor lead frame	171,523	171,523	7,796	97.46	113,539	566	(629)	Note 3
Powertech Holding (BVI) Inc.	PTI Technology (Singapore) Pte. Ltd.	Singapore	Investment business	USD 51,000	USD 51,000	103	100	USD 120,126	USD 727	USD 727	Note 3
Powertech Technology Japan Ltd.	Tera Probe, Inc.	Japan	Wafer probing test services	USD 43,963	USD 43,963	4,440	49	USD 117,925	USD 7,030	USD 3,431	Notes 2 and 3
Tera Probe, Inc.	TeraPower Technology Inc.	Hsinchu	Wafer probing test services	JPY4,348,056	JPY4,348,056	76,381	51	JPY4,348,056	JPY2,631,540	JPY1,342,086	Notes 1 and 2

Note 1: Amount was recognized on the basis of reviewed financial statements.

Note 2: Including unrealized intercompany gains (losses).

Note 3: Amount was not recognized on the basis of reviewed financial statements.

POWERTECH TECHNOLOGY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

MARCH 31, 2026

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company Accounted for Using the Equity Method	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investments from Taiwan as of January 1, 2026	Investment Flows		Accumulated Outflow of Investments from Taiwan as of March 31, 2026	Net Income (Loss) of the Investee	Percentage of Ownership in Investment	Investment Gain (Loss) (Note 2)	Carrying Value as of March 31, 2026 (Note 2)	Accumulated Inward Remittance of Earnings as of March 31, 2026	Note
					Outflow	Inflow							
Longforce Technology (Suzhou) Ltd.	Semiconductor testing and assembly services	\$ 3,198,000 (USD 100,000)	Note 1	\$ 1,096,115 (USD 34,275)	\$ -	\$ -	\$ 1,096,115 (USD 34,275)	\$ 66,582 (USD 2,103)	30%	\$ 13,158 (USD 416)	\$ 1,279,052 (USD 39,995)	\$ -	Note 3
Powertech Semiconductor (Xian) Ltd.	Semiconductor testing and assembly services	319,800 (USD 10,000)	Note 1	531,476 (USD 16,619)	-	-	531,476 (USD 16,619)	4,585 (USD 145)	100%	4,585 (USD 145)	806,137 (USD 25,208)	1,021,793 (USD 31,951)	Note 2

Investee Company Accounted for Using the Equity Method	Accumulated Investment in Mainland China as of March 31, 2026 (In Thousands of USD)	Investment Amounts Authorized by the Investment Commission, MOEA (In Thousands of USD)	Ceiling Amount on of the Corporation's Investment in Mainland China
Powertech Technology (Suzhou) Ltd.	US\$34,275	US\$79,000	\$35,019,538
Powertech Semiconductor (Xian) Ltd.	US\$16,619	US\$79,000	

Note 1: Indirect investments through Powertech Holding (BVI) Inc., the Corporation's 100%-owned subsidiary.

Note 2: The amount was recognized on the basis of reviewed financial statements.

Note 3: The amount was recognized on the basis of unreviewed financial statements.

Note 4: Based on the exchange rate as of March 31, 2026.