Wah Hong Industrial Corporation And Subsidiaries

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

Address: 6&7, 11F, No. 235, Zhongzheng 4th Road,
Kaohsiung, Taiwan, R.O.C
Telephone: (07)9717767

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Wah Hong Industrial Corporation

Introduction

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

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, and its consolidated financial performance and its consolidated cash flows for the three months 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 Chiu-Yen, Wu and Tzu-Yuan, Chang.

Deloitte & Touche
Taipei, Taiwan
Republic of China
May 11, 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.

WAH HONG INDUSTRIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025

(In Thousands of New Taiwan Dollars)

		March 31, 2026		December 31, 2025		March 31, 2025	
CODE	ASSETS	Amount	%	Amount	%	Amount	%
	CURRENT ASSETS						
1100	Cash and cash equivalents (Note 6)	$ 1,102,376	14	$ 1,174,252	16	$ 987,717	13
1110	Financial assets at fair value through profit or loss – current (Note 7)	245,625	3	241,761	3	239,755	3
1150	Notes receivable, net (Notes 9 and 23)	492,468	6	484,986	7	461,317	6
1170	Accounts receivable, net (Notes 9, 23 and 29)	2,090,075	27	2,186,004	30	2,420,441	32
1200	Other receivables, net (Notes 9 and 29)	16,981	-	15,046	-	17,963	-
1220	Current tax assets	2,518	-	2,510	-	2,726	-
130X	Inventories (Note 10)	885,519	11	797,224	11	919,301	12
1476	Other financial assets (Note 12)	201,908	3	139,435	2	155,272	2
1479	Other current assets	54,149	1	27,136	-	45,660	1
11XX	Total current assets	5,091,619	65	5,068,354	69	5,250,152	69
	NON-CURRENT ASSETS						
1517	Financial assets at fair value through other comprehensive income - non-current (Note 8)	797,815	10	739,951	10	694,482	9
1550	Investments accounted for using equity method (Note 11)	330,437	4	4,441	-	-	-
1600	Property, plant and equipment (Notes 14 and 30)	1,317,158	17	1,300,948	18	1,373,838	18
1755	Right-of-use assets (Note 15)	120,553	2	126,212	2	141,079	2
1780	Other intangible assets	49,078	1	52,915	1	53,013	1
1840	Deferred tax assets	43,380	1	40,915	-	45,595	1
1920	Refundable deposits	28,339	-	27,171	-	26,954	-
1990	Other non-current assets	1,119	-	390	-	1,948	-
15XX	Total non-current assets	2,687,879	35	2,292,943	31	2,336,909	31
1XXX	TOTAL	$ 7,779,498	100	$ 7,361,297	100	$ 7,587,061	100
CODE	LIABILITIES AND EQUITY						
	CURRENT LIABILITIES						
2100	Short-term borrowings (Note 16)	$ 565,572	7	$ 347,227	5	$ 212,345	3
2110	Short-term bills payable (Note 17)	50,000	1	-	-	-	-
2120	Financial liabilities at fair value through profit or loss - current (Note 7)	556	-	203	-	269	-
2150	Notes payable (Note 18)	221,808	3	218,727	3	236,333	3
2170	Accounts payable (Notes 18 and 29)	868,613	11	883,875	12	1,059,999	14
2216	Dividends payable (Note 22)	130,006	2	-	-	160,007	2
2219	Other payables (Note 19)	444,466	6	518,402	7	490,356	7
2230	Current tax liabilities	50,322	1	49,991	1	42,803	1
2280	Lease liabilities - current (Note 15)	43,446	-	42,845	-	26,984	-
2399	Other current liabilities (Note 23)	19,064	-	19,635	-	20,175	-
21XX	Total current liabilities	2,393,853	31	2,080,905	28	2,249,271	30
	NON-CURRENT LIABILITIES						
2500	Financial liabilities at fair value through profit or loss – not-current (Notes 7 and 11)	63,800	1	-	-	-	-
2540	Long-term borrowings (Notes 20 and 30)	438,933	6	462,072	6	497,219	6
2570	Deferred tax liabilities	116,318	1	94,869	2	138,729	2
2580	Lease liabilities - non-current (Note 15)	48,149	-	51,648	1	78,339	1
2640	Net defined benefit liabilities	3,991	-	5,883	-	9,103	-
2645	Guarantee deposits received	1,577	-	1,526	-	2,018	-
25XX	Total non-current liabilities	672,768	8	615,998	9	725,408	9
2XXX	Total liabilities	3,066,621	39	2,696,903	37	2,974,679	39
	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 22)						
3100	Share Capital	1,000,044	13	1,000,044	14	1,000,044	13
3200	Capital Surplus	1,994,505	26	1,994,505	27	1,994,505	26
	Retained earnings						
3310	Legal reserve	548,784	7	548,784	7	517,979	7
3320	Special reserve	181,614	2	181,614	2	343,151	4
3350	Unappropriated earnings	985,696	13	1,075,467	15	807,120	11
3300	Total retained earnings	1,716,094	22	1,805,865	24	1,668,250	22
3400	Other equity	(109,734)	(2)	(245,020)	(3)	(168,704)	(2)
31XX	Total equity attributable to owners of the Company	4,600,909	59	4,555,394	62	4,494,095	59
36XX	NON-CONTROLLING INTERESTS (Note 22)	111,968	2	109,000	1	118,287	2
3XXX	Total equity	4,712,877	61	4,664,394	63	4,612,382	61
	TOTAL	$ 7,779,498	100	$ 7,361,297	100	$ 7,587,061	100

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

WAH HONG INDUSTRIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		For the Three Months Ended March 31			
		2026		2025	
CODE		Amount	%	Amount	%
4100	OPERATING REVENUE (Notes 23 and 29)	$1,611,936	100	$1,884,750	100
5110	OPERATING COSTS (Notes 10, 24 and 29)	1,373,681	85	1,570,478	83
5900	GROSS PROFIT	238,255	15	314,272	17
	OPERATING EXPENSES (Notes 9, 24 and 29)				
6100	Selling and marketing expenses	46,265	3	48,783	3
6200	General and administrative expenses	92,520	6	95,671	5
6300	Research and development expenses	45,472	3	55,264	3
6450	Expected credit impairment loss (reversal of benefits)	(582)	-	(759)	-
6000	Total operating expenses	183,675	12	198,959	11
6900	OPERATING INCOME	54,580	3	115,313	6
	NON-OPERATING INCOME AND EXPENSES (Notes 24 and 29)				
7100	Interest income	3,263	-	3,775	-
7010	Other income	3,773	-	3,060	-
7020	Other gains and losses	(2,112)	-	(2,636)	-
7050	Finance costs	(10,677)	(1)	(11,592)	-
7060	Share of profit or loss of associates recognized by equity method	6,996	1	-	-
7000	Total non-operating income and expenses	1,243	-	(7,393)	-
7900	PROFIT BEFORE INCOME TAX	55,823	3	107,920	6
7950	INCOME TAX EXPENSE (Notes 4 and 25)	16,324	1	31,534	2

(Continued)

(Continued from previous page)

CODE		For the Three Months Ended March 31 2026 Amount	2026 %	2025 Amount	2025 %
8200	NET PROFIT FOR THE PERIOD	$ 39,499	2	$ 76,386	4
	OTHER COMPREHENSIVE INCOME (Notes 22 and 25)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8316	Unrealized gain (loss) on investments in equity instruments designated as at fair value through other comprehensive income	57,864	4	(154,657)	(8)
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of the financial statements of foreign operations	100,481	6	45,253	2
8399	Income tax expense relating to items that may be reclassified subsequently to profit or loss	(19,355)	(1)	(8,719)	-
8360		81,126	5	36,534	2
8300	Other comprehensive income for the period, net of income tax	138,990	9	(118,123)	(6)
8500	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 178,489	11	($ 41,737)	(2)
	NET PROFIT ATTRIBUTABLE TO:				
8610	Owners of the Company	$ 40,235		$ 75,654	
8620	Non-controlling interests	(736)		732	
8600		$ 39,499		$ 76,386	
	TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
8710	Owners of the Company	$ 175,521		($ 44,127)	
8720	Non-controlling interests	2,968		2,390	
8700		$ 178,489		($ 41,737)	

(Continued)

(Continued from previous page)

CODE		For the Three Months Ended March 31			
		2026		2025	
		Amount	%	Amount	%
	EARNINGS PER SHARE (Note 26)				
9710	Basic	$ 0.40		$ 0.76	
9810	Diluted	$ 0.40		$ 0.75	

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

WAH HONG INDUSTRIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(In Thousands of New Taiwan Dollars)

		Equity Attributable to Owners of the Company										
				Retained Earnings			Other Equity					
Code		Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Subtotal	Non-controlling Interests	Total Equity
A1	BALANCE AT JANUARY 1, 2026	$ 1,000,044	$ 1,994,505	$ 548,784	$ 181,614	$ 1,075,467	($ 188,117)	($ 56,903)	($ 245,020)	$ 4,555,394	$ 109,000	$ 4,664,394
	Appropriation of 2025 earnings (Note 22)											
B5	Cash dividends to shareholders	-	-	-	-	(130,006)	-	-	-	(130,006)	-	(130,006)
D1	Net profit (loss) for the three months ended March 31, 2026	-	-	-	-	40,235	-	-	-	40,235	(736)	39,499
D3	Other comprehensive income (loss) for the three months ended March 31, 2026, net of income tax	-	-	-	-	-	77,422	57,864	135,286	135,286	3,704	138,990
D5	Total comprehensive income for the three months ended March 31, 2026	-	-	-	-	40,235	77,422	57,864	135,286	175,521	2,968	178,489
Z1	BALANCE AT MARCH 31, 2026	$ 1,000,044	$ 1,994,505	$ 548,784	$ 181,614	$ 985,696	($ 110,695)	$ 961	($ 109,734)	$ 4,600,909	$ 111,968	$ 4,712,877
A1	BALANCE AT JANUARY 1, 2025	$ 1,000,044	$ 2,024,506	$ 517,979	$ 343,151	$ 861,472	($ 147,382)	$ 98,459	($ 48,923)	$ 4,698,229	$ 115,897	$ 4,814,126
	Appropriation of 2024 earnings (Note 22)											
B5	Cash dividends to shareholders	-	-	-	-	(130,006)	-	-	-	(130,006)	-	(130,006)
C15	Cash dividend from capital surplus (Note 22)	-	(30,001)	-	-	-	-	-	-	(30,001)	-	(30,001)
D1	Net profit for the three months ended March 31, 2025	-	-	-	-	75,654	-	-	-	75,654	732	76,386
D3	Other comprehensive income (loss) for the three months ended March 31, 2025, net of income tax	-	-	-	-	-	34,876	(154,657)	(119,781)	(119,781)	1,658	(118,123)
D5	Total comprehensive income for the three months ended March 31, 2025	-	-	-	-	75,654	34,876	(154,657)	(119,781)	(44,127)	2,390	(41,737)
Z1	BALANCE AT MARCH 31, 2025	$ 1,000,044	$ 1,994,505	$ 517,979	$ 343,151	$ 807,120	($ 112,506)	($ 56,198)	($ 168,704)	$ 4,494,095	$ 118,287	$ 4,612,382

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

WAH HONG INDUSTRIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(In Thousands of New Taiwan Dollars)

CODE		For the Three Months Ended March 31 2026	2025
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Profit before income tax	$ 55,823	$ 107,920
A20010	Adjustments for:		
A20100	Depreciation expense	55,578	59,555
A20200	Amortization expense	11,165	10,839
A20300	Expected credit impairment loss (reversal of benefits)	(582)	(759)
A20400	Loss on financial instruments at fair value through profit or loss	1,377	8,223
A20900	Finance costs	10,677	11,592
A21200	Interest income	(3,263)	(3,775)
A22300	Share of profit or loss of associates recognized by equity method	(6,996)	-
A22500	Net loss (gain) on disposal of property, plant and equipment	153	(35)
A23700	Inventories losses	16,655	3,271
A24100	Unrealized net gain on foreign exchange	(3,192)	(4,283)
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	(7,515)	(66,423)
A31150	Accounts receivable	95,643	82,449
A31180	Other receivables	(4,887)	6,653
A31200	Inventories	(106,122)	(77,223)
A31240	Other current assets	(27,013)	(5,969)
A32130	Notes payable	3,081	(18,160)
A32150	Accounts payable	(15,262)	(167,559)
A32180	Other payables	(66,658)	(39,409)
A32230	Other current liabilities	(570)	1,997
A32240	Net defined benefit liabilities	(1,892)	(1,429)
A33000	Cash generated from operations	6,200	(92,525)
A33100	Interest received	4,600	5,519
A33200	Dividends received	1,615	1,592
A33300	Interest paid	(10,172)	(11,997)
A33500	Income tax paid	(16,288)	(26,484)
AAAA	Net cash generated from operating activities	(14,045)	(123,895)

(Continued)

(Continued from previous page)

CODE		For the Three Months Ended March 31 2026	2025
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00200	Disposal of financial assets at fair value through profit or loss	$ -	($ 1,350)
B01800	Investments accounted for using equity method	(255,200)	-
B02700	Acquisitions for property, plant and equipment	(42,489)	(14,570)
B02800	Proceeds from disposal of property, plant and equipment	111	48
B03700	Increase in guarantee deposits paid	(377)	(449)
B04500	Acquisitions of Intangible assets	(7,632)	(13,669)
B06500	Decrease (increase) in other financial assets	(62,473)	22,449
BBBB	Net cash used in investing activities	(368,060)	(7,541)
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase in short-term borrowings	213,960	22,331
C00500	Increase in short-term notes payable	50,000	-
C03100	Increase in guarantee deposits received	-	589
C04020	Repayment of the principal portion of lease liabilities	(7,143)	(8,136)
CCCC	Net cash used in financing activities	256,817	14,784
DDDD	EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS	53,412	42,607
EEEE	NET DNCREASE IN CASH AND CASH EQUIVALENTS	(71,876)	(74,045)
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,174,252	1,061,762
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$1,102,376	$ 987,717

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

WAH HONG INDUSTRIAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

I. ORGANIZATION

Wah Hong Industrial Corp. (the "Company") was incorporated in August 1973, and is mainly engaged in the manufacturing and trading of materials of LCD (Diffusion, Reflection films etc.), materials of Bulk Molding Compounds (BMC) and Molding products etc..

The Company's shares have been listed and traded on the Taipei Exchange since June 23, 2005.

The consolidated financial statements, which include the Company and its subsidiaries (collectively, the "Group"), are presented in the Company's functional currency, the New Taiwan dollar.

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

These consolidated financial statements were approved by the Board of Directors and authorized for issue on May 11, 2026.

III. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

(I) Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The initial application of the amendments to the IFRS Accounting Standards endorsed and issued into effect by the Financial Supervisory Commission did not have a material impact on the accounting policies of the Company and entities controlled by the Company (collectively as the "Group").

(II) The IFRS Accounting Standards that have been issued by IASB but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note 1)
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 into a Hyperinflationary Presentation Currency"	January 1, 2027

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

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.

<u>IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments</u>

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

1. The Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers, as a basis for classifying items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories.
2. 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.
3. 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.

4. 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”:

1. The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.
2. 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.

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

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(I) Compliance statement

The 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 financial statements.

(II) Basis of preparation

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

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

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

(III) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). The financial statements of subsidiaries have been adjusted to ensure the accounting policies are line with those of the Group. During the preparation of the consolidated financial statements, the transaction, account balance, income and expense among entities have been eliminated completely.

The detailed information of subsidiaries (including the percentage of ownership and main business) is referred to Note 13, Tables 6 and 7.

(IV) Other significant accounting policies

Except for the following , the significant accounting policies that adopted in the consolidated financial statements are the same with the one for the year ended December 31, 2025.

1. Retirement benefits

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

2. Income Tax Expense

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

V. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same material accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as those applied in the preparation of the consolidated financial statements for the year ended December 31, 2025.

VI. CASH AND CASH EQUIVALENTS

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand	$ 912	$ 978	$ 895
Checking accounts	51	51	51
Demand deposits	652,671	814,989	588,702
Cash equivalents			
Time deposits with original maturities of 3 months or less	448,742	358,234	393,069
Bonds with repurchase agreements	-	-	5,000
	$ 1,102,376	$ 1,174,252	$ 987,717

(I) The market rate intervals of cash equivalents at the end of the reporting period were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Cash equivalents			
Time deposits with original maturities of 3 months or less (%)	0.65～3.69	0.65～3.94	1.00～4.30
Bonds with repurchase agreements (%)	-	-	1.35

(II) The Group has good credit quality with many financial institutions, and which can help to disperse credit risk. Also, to estimate credit loss that is unexpected.

VII. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets - current			
Mandatorily classified as at FVTPL			
Non-derivative financial assets			
Domestic listed shares	$ 96,801	$ 98,849	$ 95,095
Guaranteed floating income financial products	148,824	142,912	144,660
	$ 245,625	$ 241,761	$ 239,755
Financial liabilities - current			
Financial liabilities held for trading			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	$ 474	$ 203	$ 269
Foreign exchange option contracts	82	-	-
	$ 556	$ 203	$ 269
Financial liabilities - non-current			
Contingent consideration from associates (Note 11)	$ 63,800	$ -	$ -

The purpose of the Group's forward foreign exchange transactions is to avoid the risks created by foreign currency assets and liabilities due to exchange rate fluctuations.

(I) At the end of the reporting period, outstanding foreign exchange options contracts were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
March 31, 2026			
Sell forward exchange contracts	USD to NTD	2026.04	USD1,500／TWD47,563
December 31, 2025			
Sell forward exchange contracts	USD to NTD	2026.01	USD1,500／TWD46,890
March 31, 2025			
Sell forward exchange contracts	USD to NTD	2025.04	USD500／TWD16,297

Details of profit and loss of financial instruments at FVTPL for the reporting periods 2026 and 2025 list on Note 24.

(II) The Group signed RMB structured term deposit contract with the bank. The deposit includes an embedded derivative that is not closely related to the master contract. As the master contract included in the mixed contract is an asset within the scope of IFRS, it is classified as measured at fair value through profit or loss according to the overall mixed contract evaluation.

VIII. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME– NON-CURRENT

	March 31, 2026	December 31, 2025	March 31, 2025
Equity instruments			
Domestic listed shares	$789,677	$731,813	$621,787
Domestic unlisted shares	-	-	64,557
Foreign unlisted shares	8,138	8,138	8,138
	$797,815	$739,951	$694,482

IX. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHERS RECEIVABLE

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable			
At amortized cost			
Gross carrying amount	$ 493,967	$ 486,452	$ 462,710
Less: Allowance for impairment loss	1,499	1,466	1,393
	$ 492,468	$ 484,986	$ 461,317
Accounts receivable			
At amortized cost			
Gross carrying amount	$ 2,118,279	$ 2,213,922	$ 2,449,445
Less: Allowance for impairment loss	28,204	27,918	29,004
	$ 2,090,075	$ 2,186,004	$ 2,420,441
Other receivables			
At amortized cost			
Gross carrying amount	$ 16,981	$ 15,046	$ 17,963

The main credit period of sales of goods was 30-180 days. No interest was charged on receivables.

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

The Group measures the loss allowance for accounts receivable based on lifetime ECLs. The lifetime expected credit losses are calculated using a provision matrix, which takes into the customers' historical default records and current financial conditions. As the Group's historical credit loss experience indicates that there are no significant differences in loss patterns among different customer segments, the provision matrix does not further distinguish between customer segments and only determines the expected credit loss rates based on the aging days of accounts receivable.

If there is evidence indicating that a counterparty is experiencing severe financial difficulties and the Group cannot reasonably expect to recover the amount, the Group directly writes off the related accounts receivable. However, recourse activities will still be pursued, and any amounts recovered through such activities will be recognized in profit or loss.

The aging analysis of notes and accounts receivable were as follows:

March 31, 2026

	Counterparty no signs of default					
	Not Past Due	1 to 180 Days	181 to 360 Days	More than 360 Days	Counterparty with signs of default	Total
Lifetime expected credit losses (%)	0～0.3	0～10	50	100	100	
Gross carrying amount	$2,587,075	$ 3,699	$ 18	$ 1,707	$ 19,747	$2,612,246
Loss allowance (lifetime ECLs)	(7,870)	(370)	(9)	(1,707)	(19,747)	(29,703)
Amortized cost	$2,579,205	$ 3,329	$ 9	$ -	$ -	$2,582,543

December 31, 2025

	Counterparty no signs of default					
	Not Past Due	1 to 180 Days	181 to 360 Days	More than 360 Days	Counterparty with signs of default	Total
Lifetime expected credit losses (%)	0～0.3	0～10	50	100	100	
Gross carrying amount	$2,673,913	$ 5,367	$ 380	$ 1,291	$ 19,423	$2,700,374
Loss allowance (lifetime ECLs)	(7,980)	(500)	(190)	(1,291)	(19,423)	(29,384)
Amortized cost	$2,665,933	$ 4,867	$ 190	$ -	$ -	$2,670,990

March 31, 2025

	Counterparty no signs of default					
	Not Past Due	1 to 180 Days	181 to 360 Days	More than 360 Days	Counterparty with signs of default	Total
Lifetime expected credit losses (%)	0～0.3	0～10	-	100	100	
Gross carrying amount	$2,890,003	$ 822	$ -	$ 811	$ 20,519	$2,912,155
Loss allowance (lifetime ECLs)	(8,985)	(82)	-	(811)	(20,519)	(30,397)
Amortized cost	$2,881,018	$ 740	$ -	$ -	$ -	$2,881,758

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

	For the Three Months Ended March 31			
	2026		2025	
	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable
Balance at January 1	$ 1,466	$ 27,918	$ 1,177	$ 29,580
Impairment losses recognized (reversal)	(12)	(570)	199	(958)
Exchange differences	45	856	17	382
Balance at March 31	$ 1,499	$ 28,204	$ 1,393	$ 29,004

X. INVENTORIES

	March 31, 2026	December 31, 2025	March 31, 2025
Raw materials	$ 452,125	$ 371,984	$ 458,952
Work in process	22,007	22,180	22,681
Finished goods	411,387	403,060	437,668
	$ 885,519	$ 797,224	$ 919,301

The costs of inventories recognized in cost of goods sold for the three months ended March 31, 2026 and 2025 were NT$1,373,681 thousand and NT$1,570,478 thousand respectively, which included the following items:

	For the Three Months Ended March 31	
	2026	2025
Inventory depreciation losses (recovery benefits)	$ 12,973	($ 4,043)
Inventory losses	3,682	7,314
Unallocated manufacturing cost	26,566	22,972
Revenue from the sale of scraps	(595)	(659)
	$ 42,626	$ 25,584

XI. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	March 31, 2026	December 31, 2025	March 31, 2025
Investments in individually insignificant affiliated enterprises			
Jing De Gases Co., Ltd. ("Jing De")	$326,194	$ -	$ -
Wah Sheng Industrial Corp. ("Wah Sheng")	4,243	4,441	-
	$330,437	$ 4,441	$ -

The brief description of investments using the equity method is detailed in Table 6.

In order to enter the niche standard gas market and accelerate the development of high value-added businesses, the Group resolved by the Board of Directors in December 2025 to acquire a 29% equity interest in Jing De Gases Co., Ltd., amounting to 3,944 thousand shares, for an investment amount of NT$319 million. Pursuant to the share purchase agreement, the equity transfer was completed in January 2026, and 80% of the purchase price, amounting to NT$255.2 million, was paid. The remaining 20% of the purchase price, amounting to NT$63.8 million, was held as a retained payment, with 10% of the purchase price to be paid no later than the end of April 2027 and April 2028, respectively. The payment of the retained amount is conditional upon the gross profit stated in the audited financial statements of Jing De Gases Co., Ltd. for the years 2026 and 2027 achieving a certain amount. If the targets are not met, the payable amount shall be calculated proportionally based on the achievement rate of the gross profit.

The aforementioned contingent consideration was measured at fair value on the acquisition date. Based on the average gross profit of Jing De Gases Co., Ltd. over the past three years, the management of the Group assessed that the payment of the aforementioned contingent consideration, amounting to NT$63.8 million was highly probable. Therefore, the estimated fair value of the contingent consideration obligation was NT$63.8 million both on the acquisition date and as of the end of March 2026.

The initial accounting for the acquisition of equity interest in Jing De Gases Co., Ltd. was only provisional as of the balance sheet date. As of the date of these consolidated financial statements were authorized for issuance, the required market valuations and other calculations have not yet been completed. Therefore, the amount of goodwill arising from the excess of the investment cost in the associate over the fair value of the identifiable net assets acquired, remains provisional.

In April 2025, Wah Sheng Industrial Corp. converted accounts receivable of NT$10,000 thousand from the Company into capital, as a result, the Company's shareholding ratio increased from 25% to 50%. However, the Company assessed that it had no control over the investment and therefore still adopted the equity method of accounting. The Company's retained earnings decreased by NT$4,445 thousand due to the adjustment of changes in affiliated enterprises recognized by equity method. Wah Sheng Industrial Corp. was dissolved in November 2025 and is currently undergoing liquidation procedures.

The Group’s share of profit or loss and other comprehensive income of the aforementioned Wah Sheng Industrial Corp., accounted for using the equity method, was recognized based on financial statements that have not been reviewed by independent auditors. However, the management of the Group believes that the lack of an auditor's review on the investee company's financial report would not have a material impact.

The accumulated losses of the Group's investments in associates, Wah Sheng Industrial Corp. and Toprising Precision Tech. Co., Ltd., have exceeded their respective total capital. The Group ceased to recognize further losses under the equity method when the investment losses exceeded the original investment cost. The current and cumulative unrecognized losses of affiliated enterprises are extracted from their financial reports are as follows:

	For the Three Months Ended March 31	
	2026	2025
Current amount	$ -	$ 121
Cumulative amount	$ 4,463	$ 5,729

XII. OTHER FINANCIAL ASSETS – CURRENT

	March 31, 2026	December 31, 2025	March 31, 2025
Time deposits with original maturities of more than 3 months	$201,908	$139,435	$155,272
Annual interest rate (%)	1.55～3.90	1.60～3.95	1.70～3.95

XIII. SUBSIDIARIES

The detailed information of the subsidiaries at the end of the reporting period was as follows:

			Percentage of Ownership (%)		
Investor	Investee	Main Businesses and Products	March 31, 2026	December 31, 2025	March 31, 2025
The Company	Wah Hong Holding Ltd.	International investment business	100	100	100
	PT. Wah Hong Indonesia ("WH Indonesia")	Production and trading business of LCD material, BMC (bulk molding compound) material and molded product	99	99	99
Wah Hong Holding Ltd.	Wah Hong Technology Ltd.	International investment business	100	100	100
	Wah Hong International Ltd.	International investment business	100	100	100
	Granite International Ltd.	International trading business	100	100	100

(Continued)

(Continued from previous page)

Investor	Investee	Main Businesses and Products	Percentage of Ownership (%) March 31, 2026	Percentage of Ownership (%) December 31, 2025	Percentage of Ownership (%) March 31, 2025
	Wah Hong Development Ltd.	International investment business	100	100	100
	Smart Succeed Ltd.	International trading business	100	100	100
	Allied Royal LLC.	International investment business	67.5	67.5	67.5
	Wah Ma Technology Sdn. Bhd.	Production and trading business of BMC (bulk molding compound) material and molded product	100	100	100
	PT. Wah Hong Indonesia ("WH Indonesia")	Production and trading business of LCD material, BMC (bulk molding compound) material and molded product	1	1	1
Wah Hong Technology Ltd.	SIP Chang Hong Optoelectronics Ltd. ("SIP Chang Hong")	Production and trading business of LCD material, BMC (bulk molding compound) material and molded product	100	100	100
	SIP Chang Jun Trading Limited ("SIP Chang Jun")	Trading business of BMC materials and finished products, diffusion films, reflectors and other LCD products	100	100	100
	Ningbo Changhong Optoelectronics Ltd. ("Ningbo Changhong")	Production and trading of panel display compound and LCD optical film etc.	100	100	100
	Qingdao Changhong Optoelectronics Ltd. ("Qingdao Changhong")	Production and trading of panel display compound and LCD optical film etc.	100	100	100
Wah Hong International Ltd.	Sun Hong Optronics Ltd. ("Sun Hong")	Production and trading business of LCD material, BMC (bulk molding compound) material and molded product	100	100	100
	Xiamen Guang Hong Optronics Ltd. ("Xiamen Guang Hong")	Production and trading of panel display compound and LCD optical film etc.	100	100	100
Allied Royal LLC.	SuZhou Alliance Material.Co.Ltd. ("Suzhou Alliance")	Production and trading business of LCD material molded product	100	100	100
Ningbo Changhong	Ningbo Changli New Material Limited ("Ningbo Changli")	Trading business of LCD material and BMC material	100	100	100

XIV. PROPERTY, PLANT AND EQUIPMENT

(I) Changes of cost, accumulated depreciation and accumulated impairment were as follows:

For the Three months ended March 31, 2026

	Land	Buildings	Machinery and Equipment	Other Equipment	Equipment under Installation and Construction in Progress	Total
Cost						
Balance at January 1, 2026	$ 204,199	$ 1,792,127	$ 2,378,381	$ 562,723	$ 21,274	$ 4,958,704
Additions	-	8,175	8,938	5,766	12,010	34,889
Disposals	-	-	(649)	(1,799)	-	(2,448)
Exchange differences	101	37,212	44,374	9,512	507	91,706
Balance at March 31, 2026	$ 204,300	$ 1,837,514	$ 2,431,044	$ 576,202	$ 33,791	$ 5,082,851
Accumulated depreciation						
Balance at January 1, 2026	$ -	$ 1,198,322	$ 1,950,430	$ 414,452	$ -	$ 3,563,204
Depreciation expense	-	20,489	15,979	8,186	-	44,654
Disposals	-	-	(565)	(1,619)	-	(2,184)
Exchange differences	-	23,526	35,303	6,436	-	65,265
Balance at March 31, 2026	$ -	$ 1,242,337	$ 2,001,147	$ 427,455	$ -	$ 3,670,939
Accumulated impairment						
Balance at January 1, 2026	$ -	$ -	$ 75,730	$ 18,822	$ -	$ 94,552
Exchange differences	-	-	115	87	-	202
Balance at March 31, 2026	$ -	$ -	$ 75,845	$ 18,909	$ -	$ 94,754
Carrying amount at January 1, 2026	$ 204,199	$ 593,805	$ 352,221	$ 129,449	$ 21,274	$ 1,300,948
Carrying amount at March 31, 2026	$ 204,300	$ 595,177	$ 354,052	$ 129,838	$ 33,791	$ 1,317,158

For the Three months ended March 31, 2025

	Land	Buildings	Machinery and Equipment	Other Equipment	Equipment under Installation and Construction in Progress	Total
Cost						
Balance at January 1, 2025	$ 203,956	$ 1,800,292	$ 2,397,957	$ 563,866	$ 18,342	$ 4,984,413
Additions	-	7,053	4,059	4,175	455	15,742
Disposals	-	(485)	(6,021)	(1,463)	-	(7,969)
Exchange differences	90	16,149	19,916	4,076	158	40,389
Balance at March 31, 2025	$ 204,046	$ 1,823,009	$ 2,415,911	$ 570,654	$ 18,955	$ 5,032,575
Accumulated depreciation						
Balance at January 1, 2025	$ -	$ 1,132,420	$ 1,961,909	$ 402,703	$ -	$ 3,497,032
Depreciation expense	-	21,126	16,904	8,813	-	46,843
Disposals	-	(485)	(6,019)	(1,452)	-	(7,956)
Exchange differences	-	9,459	15,883	2,723	-	28,065
Balance at March 31, 2025	$ -	$ 1,162,520	$ 1,988,677	$ 412,787	$ -	$ 3,563,984
Accumulated impairment						
Balance at January 1, 2025	$ -	$ -	$ 75,797	$ 18,873	$ -	$ 94,670
Exchange differences	-	-	46	37	-	83
Balance at March 31, 2025	$ -	$ -	$ 75,843	$ 18,910	$ -	$ 94,753
Carrying amount at March 31, 2025	$ 204,046	$ 660,489	$ 351,391	$ 138,957	$ 18,955	$ 1,373,838

Reconciliation of the additions to property, plant and equipment and the cash paid stated in the statements of cash flows is as follows:

	For the Three Months Ended March 31	
	2026	2025
Investing activities affected cash and cash equivalents		
Additions to property, plant and equipment	$ 34,889	$ 15,742
Decrease (increase) in payables for equipment (under other payables)	7,600	(1,172)
Cash paid for acquis the property, plant and equipment	$ 42,489	$ 14,570

(II) Estimated useful life:

Property, plant and equipment are depreciated on a straight-line basis over the following estimated useful lives:

Buildings	
Reinforced concrete buildings	30 - 60 years
Sheet metal buildings	10 - 20 years
Decoration and Design	2 - 10 years
Electrical and mechanical work	2 - 8 years
Machinery and equipment	2 - 10 years
Other equipment	2 - 15 years

(III) Refer to Note 30 for the carrying amount of property, plant and equipment pledged as collateral for borrowings.

XV. LEASING ARRANGEMENTS

(I) Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amounts			
Land	$ 35,149	$ 34,493	$ 34,065
Buildings	84,384	90,480	105,119
Other equipment	1,020	1,239	1,895
	$120,553	$126,212	$141,079

	For the Three Months Ended March 31	
	2026	2025
Depreciation of right-of-use assets		
Land	$ 431	$ 302
Buildings	10,275	12,191
Other equipment	218	219
	$ 10,924	$ 12,712

Except for recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets in March 31, 2026, and 2025.

(II) Leasing liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amounts			
Current portion	$ 43,446	$ 42,845	$ 26,984
Non-current portion	$ 48,149	$ 51,648	$ 78,339

Range of discount rate (%) for leasing liabilities was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Land	1.65	1.65	
Buildings	1.63～2.42	2.18～2.42	1.83～2.42
Other equipment	2.25	2.25	2.25

(III) Material leasing activities and terms

The Group leases land use rights, buildings and computer hardware equipment for business use, and the lease period varies from 1 to 50 years, and ends until May 2056.

(IV) Other leasing information

	For the Three Months Ended March 31	
	2026	2025
Expenses relating to short-term leases	$ 2,934	$ 3,629
Expenses relating to low-value asset leases	$ 2,147	$ 1,728
Total cash outflow for leases	$ 12,757	$ 14,127

The Group’s leases of certain subjects qualify as short-term or low-value asset leases, and the Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

XVI. SHORT-TERM BORROWINGS

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured borrowings			
Procurement loans	$ 256,829	$ 124,963	$ 168,048
Revolving loans	308,743	222,264	44,297
	$ 565,572	$ 347,227	$ 212,345
Annual interest rate (%)	1.83～5.60	1.85～5.70	2.85～5.58

XVII. SHORT-TERM BILLS PAYABLE

The commercial paper payables are guaranteed and issued by MEGA Bills Finance Co. The annual interest rate for March 31, 2026 is 1.98%.

XVIII. NOTES PAYABLE AND ACCOUNTS PAYABLE

Notes payable and accounts payable are mainly related to operating activities.

The average credit period on purchases of goods from 30 - 150 days. The Group has formulated a financial risk management policy, in order to ensure all payables are paid within the pre-agreed credit period; therefore, no interest is required.

XIX. OTHER PAYABLES

	March 31, 2026	December 31, 2025	March 31, 2025
Payable for salaries or bonuses	$131,096	$199,489	$145,244
Payable for employees' compensation and remuneration to directors	89,129	79,527	99,757
Payable for annual leave bonuses	30,710	32,878	29,722
Payable for packing fees	16,298	17,196	19,880
Payable for die-cut fees	9,391	12,467	15,963
Payable for freight fee	13,072	14,326	13,780
Payable for equipment	9,046	16,646	6,786
Others	145,724	145,873	159,224
	$444,466	$518,402	$490,356

XX. LONG-TERM BORROWINGS

	March 31, 2026	December 31, 2025	March 31, 2025
Secured borrowings (Note 30)			
Syndicated bank loans			
E.SUN BANK (USD syndicated bank loan) - credit limit A, annual interest rate for March 31, 2026, December 31, 2025, and March 31, 2025 is 4.8626%, 5.2643% and 5.6765%, respectively	$415,935	$440,020	$498,075
Less: Syndicated loan fee	122	306	856
	415,813	439,714	497,219
Unsecured borrowings			
Bank loans	23,120	22,358	-
	$438,933	$462,072	$497,219

The Company has signed a syndicated loan agreement with banks led by E.SUN BANK in May 2022. The total amount of syndicated bank loans is US$50 million, including credit limit A (US$50 million), credit limit B (NT$840 million).

The credit referred to in the preceding item is a medium-term revolving loan (the credit period starts from June 2022, the first use date and ends in 5 years, and after three years from the date of first use, the credit line will be decreased in five installments every six months, with the first installment decreasing by 5%, the second to fourth installments decreasing by 10% and the fifth installment decreasing by 65%), which can be used in installments and revolved within the loan line. Every time the credit line decreases, the part of the credit balance that exceeds the decreased credit line shall be paid off in one lump sum.

The syndicated loan contract stipulates that the Company’s consolidated annual financial ratios should comply with specific financial ratio standard.

The financial ratios of the Company’s 2025 and 2024 consolidated annual financial reports did not violate the provisions of the syndicated loan contract.

XXI. RETIREMENT BENEFIT PLANS

(I) Defined contribution plans

The retirement pension system implemented by the Company in accordance with the "Labor Pension Act" is a defined contribution plan administered by the government, under which pension contributions equal to 6% of each employee’s monthly salary are contributed to the employees’ individual pension accounts maintained by the Bureau of Labor Insurance.

The retirement pension contributions made by the subsidiaries in China, in accordance with local government regulations, are also recognized as defined contribution plans.

The subsidiaries, Wah Ma Technology Sdn. Bhd. and PT. Wah Hong Indonesia, make pension contributions to the provident fund accounts based on a specific percentage of employees' total salaries in accordance with local government regulations, which are likewise classified as defined contribution plans.

(II) Defined benefit plans

The retirement expenses of defined benefit plan for the three months ended March 31, 2026 and 2025 were calculated using the actuarially determined pension cost discount rate of December 31 2025 and 2024. The amounts for the three months ended March 31, 2026 and 2025 was NT$41 thousand and NT$55 thousand, respectively.

XXII. EQUITY

(I) Share capital

	March 31, 2026	December 31, 2025	March 31, 2025
Number of authorized shares (in thousands)	150,000	150,000	150,000
Amount of authorized shares	$ 1,500,000	$ 1,500,000	$ 1,500,000
Number of issued and fully paid shares (in thousands)	100,004	100,004	100,004
Amount of issued shares	$ 1,000,044	$ 1,000,044	$ 1,000,044

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

(II) 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 share capital (Note)			
Arising from issuance of share capital	$ 1,844,657	$ 1,844,657	$ 1,844,657
Arising from conversion of bonds	511	511	511
Consolidation excess	142,560	142,560	142,560
Difference between consideration paid and the carrying amount	6,777	6,777	6,777
	$ 1,994,505	$ 1,994,505	$ 1,994,505

Note: Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

(III) Retained earnings and dividends policy

Under the earnings distribution policy as set forth in the Company's Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve 10% of the remaining profit, except when the accumulated amount of such legal reserve equals to the Company's total issued capital, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which shall be resolved in the shareholders' meeting. If the Company issues new stocks for distribution of earnings, it shall be submitted to the Shareholders' Meeting for resolution; if the company issues cash for distribution of earnings, it shall be resolved by the Board of Directors.

The Company authorizes the Board of Directors must attend by over two-thirds of the directors and half of those attending directors must approve for the case if the Company use cash for distribution of dividends, bonus and capital surplus or surplus reserve, it should report to the Shareholders' Meeting. However, if the Company issues new stocks for distribution of dividends, bonus and capital surplus or surplus reserve, it should let the shareholders pass the resolution.

The dividend policy of the Company is based on the current and future development plans, investment environment, capital requirements and competition in the domestic and foreign markets, as well as the benefits of shareholders, etc. The dividends to shareholders can be paid in cash or/and issued shares, but cash dividends shall be not less than 10% of the total dividends.

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

The appropriations of earnings for 2025 and 2024 had been approved by the board of directors in March 2026 and the shareholders' meeting in May, 2025, respectively; the amounts were as follows:

	Appropriation of earnings		Dividends per share (NT$)	
	2025	2024	2025	2024
Legal reserve	$ 21,327	$ 30,805		
Special surplus reserve (reversed)	63,405	(161,537)		
Cash dividends	130,006	130,006	$ 1.3	$ 1.3

In addition, in March 2025, the Board of Directors proposed a cash distribution from capital surplus of NT$30,001 thousand.

The above-mentioned cash dividends and cash distributions from capital surplus for 2025 and 2024 were resolved by the Board of Directors in March 2026 and 2025, respectively, that were recognized in the dividends payable. The remaining earnings distribution for 2025 are subject to the resolution of the annual general shareholders' meeting to be held in May 2026.

(IV) Special reserve

When the company adopted IFRS Accounting Standards for the first time, the unrealized revaluation gains and cumulative translation adjustments transferred to retained earnings amounted to NT$13,747 thousand and NT$231,169 thousand respectively. However, since the increase in retained earnings resulting from the adoption of IFRS Accounting Standards for the first time was insufficient to cover the full appropriation, only the increase in retained earnings of NT$181,615 thousand resulting from the transition to IFRS Accounting Standards was appropriated as a special surplus reserve.

(V) Other equity

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	($188,117)	($147,382)
Exchange differences on translating the financial statements of foreign operations	96,777	43,595
Tax arising on translation of foreign operations	(19,355)	(8,719)
Balance at March 31	($110,695)	($112,506)

2. Unrealized gain (loss) on financial assets at fair value through other comprehensive income

	For the Three Months Ended March 31	
	2026	2025
Balance at January 1	($ 56,903)	$ 98,459
Recognized for the year		
Unrealized gain (loss) - equity instruments	57,864	(154,657)
Balance at March 31	$ 961	($ 56,198)

(VI) Non-controlling interests

	For the Three Months Ended March 31	
	2026	2025
Balance at January 1	$109,000	$115,897
Other comprehensive income (loss) during the period		
Net profit	(736)	732
Exchange differences on translation of the financial statements of foreign operations	3,704	1,658
Balance at March 31	$111,968	$118,287

XXIII. REVENUE

	For the Three Months Ended March 31	
	2026	2025
Revenue from contracts with customers		
Revenue from sale of goods	$ 1,611,453	$ 1,883,950
Service revenue	483	800
	$ 1,611,936	$ 1,884,750

(I) Contract balances

	March 31, 2026	December 31, 2025	March 31 2025	January 1, 2025
Notes receivable and accounts receivable (Note 9)	$2,582,543	$2,670,990	$2,881,758	$2,897,425
Contract liabilities (classified under other current liabilities)				
Sale of goods	$ 13,053	$ 13,508	$ 14,228	$ 12,052

The changes in the balance of contract liabilities primarily result from the timing difference between the date the Group fulfills its performance obligation and the date the customer's payment is received.

(II) Disaggregation of revenue by products

For the Three Months Ended March 31, 2026

	Reportable Segments				
	Taiwan	South China	Eastern China	Others	Total
Types					
Revenue from sale of goods	$ 531,684	$ 316,634	$ 699,730	$ 63,405	$ 1,611,453
Service revenue	40	-	443	-	483
	$ 531,724	$ 316,634	$ 700,173	$ 63,405	$ 1,611,936

For the Three Months Ended March 31, 2025

	Reportable Segments				
	Taiwan	South China	Eastern China	Others	Total
Types					
Revenue from sale of goods	$ 643,125	$ 309,808	$ 870,514	$ 60,503	$ 1,883,950
Service revenue	24	-	768	8	800
	$ 643,149	$ 309,808	$ 871,282	$ 60,511	$ 1,884,750

XXIV. PROFIT BEFORE INCOME TAX

(I) Interest income

	For the Three Months Ended March 31	
	2026	2025
Bank deposits	$ 3,263	$ 3,775

(II) Other income

	For the Three Months Ended March 31	
	2026	2025
Rental income	$ 1,801	$ 2,237
Others	1,972	823
	$ 3,773	$ 3,060

(III) Other gains and losses

	For the Three Months Ended March 31	
	2026	2025
Loss of financial instruments measured at fair value through profit or loss	($ 1,873)	($ 8,223)
Net gain from foreign currency exchange	168	6,152
Gaines (loss) on disposal of property, plant and equipment	(153)	35
Others	(254)	(600)
	($ 2,112)	($ 2,636)

(IV) Finance costs

	For the Three Months Ended March 31	
	2026	2025
Interest on bank loans	$ 9,517	$ 10,285
Interest on lease liabilities	533	634
Other interest expenses	627	673
	$ 10,677	$ 11,592

(V) Depreciation and amortization

	For the Three Months Ended March 31	
	2026	2025
Property, plant and equipment	$ 44,654	$ 46,843
Right-of-use assets	10,924	12,712
Intangible assets	11,165	10,839
	$ 66,743	$ 70,394
An analysis of depreciation by function		
Operating costs	$ 46,951	$ 49,049
Operating expenses	8,627	10,506
	$ 55,578	$ 59,555

	For the Three Months Ended March 31	
	2026	2025
An analysis of amortization by function		
Operating costs	$ 1,831	$ 1,543
Operating expenses	9,334	9,296
	$ 11,165	$ 10,839

(VI) Employee benefits expense

	For the Three Months Ended March 31	
	2026	2025
Short-term employee benefits	$ 229,876	$ 247,817
Retirement benefits		
Defined contribution plans	13,375	13,373
Defined benefit plans (Note 21)	41	55
	13,416	13,428
	$ 243,292	$ 261,245
An analysis of employee benefits expense by function		
Operating costs	$ 133,571	$ 147,038
Operating expenses	109,721	114,207
	$ 243,292	$ 261,245

(VII) Compensation of employees and remuneration of directors

The Company accrued compensation of employees and remuneration of directors at rates of no less than 10% and no higher than 3%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors.

In accordance with the amendments to the Securities and Exchange Act in August 2024, the Company approved the amendment to the Articles of Incorporation at 2025 Annual Shareholders' Meeting. The amended Articles provide that at least 4% of the aforementioned net profit shall be allocated as employee compensation, and explicitly specify that no less than 15% of such employee compensation shall be distributed to grassroots employees.

The compensation of employees and remuneration of directors for the three months ended March 31, 2026 and 2025 were as follows:

	For the Three Months Ended March 31	
	2026	2025
Accrual rate		
Employees' compensation (%)	15	15
Remuneration of directors (%)	2.5	2.5
Amount		
Employees' compensation	$ 8,231	$ 16,646
Remuneration of directors	$ 1,372	$ 2,774

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

The compensation of employees and remuneration of directors for the years ended December 31, 2025 and 2024 which have been approved by the Company's Board of Directors on March 2026 and 2025, were paid in cash as follows:

	2025	2024
Employees' compensation	$ 47,193	$ 60,739
Remuneration of directors	7,865	10,123

There was 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 year ended December 31, 2025 and 2024.

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

XXV. INCOME TAX

(I) The major components of income tax expense

	For the Three Months Ended March 31	
	2026	2025
Current tax		
In respect of the current year	$ 17,216	$ 25,038
Adjustments for prior years	(1,079)	-
	16,137	25,038
Deferred tax		
In respect of the current year	187	6,496
	$ 16,324	$ 31,534

(II) Income tax expenses recognized in other comprehensive

	For the Three Months Ended March 31	
	2026	2025
Deferred tax		
In respect of the current year		
Exchange differences on translation of the financial statements of foreign operations	$ 19,355	$ 8,719

(III) Income tax assessments

The company's income tax declaration for profit-making business up to the year of 2023 have been approved by the tax collection authorities.

XXVI. EARNINGS PER SHARE (EPS)

Earnings and weighted average number of shares outstanding used in the computation of EPS were as follows:

(I) Net profit for the year attributable to the owners of the company

	For the Three Months Ended March 31	
	2026	2025
Earnings used in the computation to basic/diluted EPS	$ 40,235	$ 75,654

(II) Number of shares (in thousands)

	For the Three Months Ended March 31	
	2026	2025
Weighted average number of shares outstanding used in computation of basic EPS	100,004	100,004
Effect of potentially dilutive shares		
Employees' compensation	1,081	1,542
Weighted average number of shares outstanding used in computation of diluted EPS	101,085	101,546

The Group offers to settle the employees' compensation in cash or shares; thus, the Group assumes the entire amount of the compensation will be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted EPS, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted EPS until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

XXVII. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Group (comprising issued capital, reserves, retained earnings and other equity).

The key management personnel of the Group periodically review the cost of capital and the risk associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

The Group is not subject to any externally imposed capital requirements, except those discussed in Note 20.

XXVIII. FINANCIAL INSTRUMENTS

(I) Fair values of financial instruments not measured at fair value

The carrying amount of financial assets and financial liabilities that are not measured at fair value as approximate amount of their fair value.

(II) Fair value of financial instruments 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 FVTPL				
Domestic listed shares	$ 96,801	$ -	$ -	$ 96,801
Guaranteed floating income financial products	-	-	148,824	148,824
	$ 96,801	$ -	$ 148,824	$ 245,625
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 789,677	$ -	$ -	$ 789,677
Foreign unlisted shares	-	-	8,138	8,138
	$ 789,677	$ -	$ 8,138	$ 797,815
Financial liabilities at FVTPL				
Derivatives	$ -	$ 556	$ -	$ 556
Contingent consideration from associates	-	-	63,800	63,800
	$ -	$ 556	$ 63,800	$ 64,356

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	$ 98,849	$ -	$ -	$ 98,849
Guaranteed floating income financial products	-	-	142,912	142,912
	$ 98,849	$ -	$ 142,912	$ 241,761
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 731,813	$ -	$ -	$ 731,813
Foreign unlisted shares	-	-	8,138	8,138
	$ 731,813	$ -	$ 8,138	$ 739,951
Financial liabilities at FVTPL				
Derivatives	$ -	$ 203	$ -	$ 203

March 31, 2025

Financial assets at FVTPL	Level 1	Level 2	Level 3	Total
Domestic listed shares	$ 95,095	$ -	$ -	$ 95,095
Guaranteed floating income financial products	-	-	144,660	144,660
	$ 95,095	$ -	$ 144,660	$ 239,755
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 621,787	$ -	$ -	$ 621,787
Domestic unlisted shares	-	-	64,557	64,557
Foreign unlisted shares	-	-	8,138	8,138
	$ 621,787	$ -	$ 72,695	$ 694,482
Financial liabilities at FVTPL				
Derivatives	$ -	$ 269	$ -	$ 269

There were no transfers between Level 1 and Level 2 for the three months ended March 31, 2026 and 2025.

2. Reconciliation of Level 3 fair value measurements of financial assets and liabilities

	Financial assets at FVTPL		Financial assets at FVTOCI	
	For the Three Months Ended March 31		For the Three Months Ended March 31	
Financial assets	2026	2025	2026	2025
Balance at January 1	$ 142,912	$ 141,601	$ 8,138	$ 72,695
Recognized in profit or loss	1,024	1,031	-	-
Exchange differences	4,888	2,028	-	-
Balance at March 31	$ 148,824	$ 144,660	$ 8,138	$ 72,695

Financial liabilities	For the Three Months Ended March 31 2026	For the Three Months Ended March 31 2025
Balance at January 1	$ -	$ -
Contingent consideration from associates	63,800	-
Balance at March 31	$ 63,800	$ -

3. Valuation techniques and inputs applied for Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Derivatives - foreign exchange forward contracts	Discounted cash flow: Future cash flows are estimated based on observable forward exchange rates at the end of the year and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties. The estimates and assumptions used by the Group in the evaluation method are consistent with the information used by market participants as estimates and assumptions when pricing financial products.
Derivatives - foreign exchange option contracts	Foreign exchange options are estimated using option evaluation models based on observable the period-end exchange rates and contractual exchange rates.

4. Valuation techniques and inputs applied for Level 3 fair value measurement

(1) The financial assets held by the Group measured at fair value are estimated using the market method with reference to the stock price-to-book value ratio of similar companies in the same industry in the open market or the latest net asset value.

(2) The estimated fair value of guaranteed with floating income financial products is based on the analysis of cash flow.

(3) The fair value of the contingent consideration acquired by the Group from associates is assessed based on the probability of achieving the terms of the agreement.

(III) Categories of financial instruments

Financial Assets	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets at amortized cost (Note 1)	$ 3,932,147	$ 4,026,894	$ 4,069,664
Measured at FVTPL			
Mandatorily classified as at FVTPL	245,625	241,761	239,755
Financial assets at FVTOCI			
Investments in equity instruments	797,815	739,951	694,482

Financial Liabilities	March 31, 2026	December 31, 2025	March 31, 2025
Financial liabilities at amortized cost (Note 2)	$ 2,590,969	$ 2,431,829	$ 2,498,270
Measured at FVTPL			
Mandatorily classified as at FVTPL	556	203	269
Contingent consideration from associates	63,800	-	-

Note 1: Including cash and cash equivalents, notes receivable and accounts receivable, others receivable, other financial assets and refundable deposits measured at amortized cost, which comprise.

Note 2: Including short-term borrowings, short-term bills payable, notes payable and accounts payable, other payables, long-term borrowings and guarantee deposits received measured at amortized cost, which comprise.

(IV) Financial risk Management objectives and policies

The Group's major financial instruments included equity and investments, notes receivable and accounts receivable, other financial assets, short-term bills payable, accounts payable, lease liability and long-term and short-term loans, etc. The Group' s Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign exchange rates and interest rates), credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group' s policies approved by the board of directors. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments (including derivative financial instruments) for speculative purposes.

1. Market risk

The Group's activities exposed is primarily to the financial risks of changes in foreign currency exchange rates (detail refers below (1)) and interest rates (detail refers below (2)).

(1) Foreign currency risk

The Group had foreign currency trades, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contracts.

For the carrying amount of monetary assets and monetary liabilities denominated in non-functional currency of the Group on the balance sheet date (including monetary items denominated in non-functional currency that have been reversed in the consolidated financial report), please refer to Note 32.

Sensitivity analysis

The Group was mainly exposed to the USD.

The following table details the Group' s sensitivity to a 1% increase and decrease in the New Taiwan dollar (functional currency) against the relevant foreign currencies. A sensitivity rate of 1% is used internally when reporting to management from the Group on exchange rate risks. It represents management's assessment on reasonably possible scope of foreign exchange rates. The following table details the Group' s sensitivity analysis included only the outstanding foreign currency (USD) denominated monetary items at the balance sheet date. The sensitivity analysis included foreign currency deposit (USD), receivables and payables, and long-term and short-term borrowings. A positive number below indicates an increase in pre-tax profit and other equity associated with the New Taiwan dollar strengthening 1% against the relevant currency. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit and other equity, and the balances below would be negative.

	Currency USD Impact	
	For the Three Months Ended March 31	
	2026	2025
Profit or loss	$ 6,781	$ 7,129

(2) Interest rate risk

The Group was exposed to interest rate risk because the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings.

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

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value interest rate risk			
Financial assets	$ 650,574	$ 497,595	$ 553,270
Financial liabilities	526,009	341,382	174,502
Cash flow interest rate risk			
Financial assets	$ 652,747	$ 815,063	$ 588,773
Financial liabilities	620,091	562,410	640,385

Sensitivity analysis

The sensitivity analysis below shows the Group's exposure to interest rates 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 the assets and liabilities outstanding at the end of the reporting period was outstanding for the whole year.

The rate of change used internally in reporting interest rates to the management from the Group is the 1% basis points increase or decrease in interest rates, which also represents the management's evaluation of the reasonable range of possible changes in interest rates.

If interest rates had been 1% increases/decreases and all other variables were held constant, the Group's pre-tax profit for the three months ended March 31, 2026 and 2025 would have been increases/ decreases by NT$82 thousand and decreases/increases NT$129 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its variable-rate bank deposits and borrowings.

(3) Other price risk

The Group were exposed to equity price risk through their investments in listed shares.

Sensitivity analysis

The following sensitivity analysis is based on the equity price risk on the balance sheet date.

If the equity price increases/decreases by 1%, the Group's net profit before tax for the three months ended March 31, 2026 and 2025 will decrease/increase by NT$968 thousand and NT$951 thousand respectively due to the change in the fair value of financial assets measured at fair value through profit and loss.

If the equity price increases/decreases by 1%, the Group's pre-tax other comprehensive profit and loss for the three months ended March 31, 2026 and 2025 will increase/decrease by NT$7,978 thousand and NT$6,945 thousand respectively due to the change in the fair value of financial assets measured at fair value through other comprehensive profit and loss.

2. Credit risk

Credit risk refers to the risk of financial loss of the Group caused by the counterparty's default of contractual obligations. As of the balance sheet date, the Group's maximum credit risk exposure that may cause financial losses due to the failure of the counterparty to fulfill the obligation and the financial guarantee provided by the Group is mainly from:

(1) The carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets; and

(2) The amount of contingent liabilities in relation to financial guarantees provided by the Group.

The Group adopted a policy of only dealing with creditworthy counterparties and uses other publicly available financial information and its own trading records to rate its major customers. The Group' s exposure and the credit ratings of its counterparties are continuously monitored and credit exposure is controlled by setting credit limits of counterparties annually.

The credit risk of the Group is mainly concentrated on receivables of the following companies:

	March 31, 2026	December 31, 2025	March 31, 2025
Company A	$ 434,761	$ 453,172	$ 406,026

As of March 31, 2026, December 31, 2025 and March 31, 2025, the ratio of total receivables from the aforementioned companies were 17%, 17% and 14%, respectively.

3. Liquidity risk

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

(1) Liquidity risk tables for non-derivative financial liabilities

The following tables detail the Group'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 Group can be required to pay. The tables included both interest and principal cash flows. Specifically, liabilities with a repayment on demand clause were included in the earliest time band regardless of the probability of the counterparties choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed-upon repayment dates.

To the extent that interest flows are at floating rates, the undiscounted amount was derived from the interest rate at the end of the year.

March 31, 2026	Less than 6 Months	6 Months to 1 Year	1-3 Years	More than 3 Years
Non-derivative financial liabilities				
Non-interest bearing liabilities	$1,646,750	$ 19,528	$ 192	$ -
Leasing liabilities	31,813	13,091	31,761	18,116
Variable interest rate liabilities	215,662	10,169	420,756	-
Fixed interest rate liabilities	413,173	-	24,863	-
Financial guarantee contracts	208,975	-	-	-
	$2,516,373	$ 42,788	$ 477,572	$ 18,116

Lease liabilities further analysis are as follows:

	Less than 1 Year	1-3 Years	3-5 Years
Leasing liabilities	$ 44,904	$ 31,761	$ 18,116

December 31, 2025	Less than 6 Months	6 Months to 1 Year	1-3 Years	More than 3 Years
Non-derivative financial liabilities				
Non-interest bearing liabilities	$1,607,273	$ 15,070	$ 187	$ -
Leasing liabilities	32,054	12,422	33,551	20,038
Variable interest rate liabilities	113,232	11,775	451,167	-
Fixed interest rate liabilities	247,911	-	24,202	-
Financial guarantee contracts	191,497	-	-	-
	$2,191,967	$ 39,267	$ 509,107	$ 20,038

Lease liabilities further analysis are as follows:

	Less than 1 Year	1-3 Years	3-5 Years
Leasing liabilities	$ 44,476	$ 33,551	$ 20,038

March 31, 2025	Less than 6 Months	6 Months to 1 Year	1-3 Years	More than 3 Years
Non-derivative financial liabilities				
Non-interest bearing liabilities	$1,918,051	$ 30,469	$ 193	$ -
Leasing liabilities	20,879	7,958	54,438	27,101
Variable interest rate liabilities	159,358	14,215	532,796	-
Fixed interest rate liabilities	69,788	-	-	-
Financial guarantee contracts	204,285	-	-	-
	$2,372,361	$ 52,642	$ 587,427	$ 27,101

Lease liabilities further analysis are as follows:

	Less than 1 Year	1-3 Years	3-5 Years	5-10 Years
Leasing liabilities	$ 28,837	$ 54,438	$ 19,575	$ 7,526

The amount of the above-mentioned financial guarantee contract refers to the amount that the Company may have to pay to fulfill the guarantee obligation if the holder of the financial guarantee contract claims the full guarantee amount from the guarantor. However, according to the expectation on the balance sheet date, the Company believes that it is unlikely to pay these contract payments.

The amounts included above for variable interest rate non-derivative financial liabilities were subject to change if changes in variable interest rates differ from those estimates of interest rates at the end of the year.

(2) Liquidity risk tables for derivative financial liabilities

On the liquidity analysis of derivative financial instruments, derivative instruments settled by gross amount is compiled based on the undiscounted total cash inflow and outflow. When the amount payable is not fixed, the disclosed amount is based on the spot exchange rate on the balance sheet date.

	On Demand or Less than 1 Month	1-3 Months
March 31, 2026		
Total settlement		
Foreign exchange		
forward contracts		
Inflows	$ 47,564	$ -
Outflows	(48,038)	-
	($ 474)	$ -
Total settlement		
Foreign exchange		
option contracts	$ 15,950	$ -
Inflows	(16,032)	-
Outflows	($ 82)	$ -
December 31, 2025		
Total settlement		
Foreign exchange		
forward contracts		
Inflows	$ 46,890	$ -
Outflows	(47,093)	-
	($ 203)	$ -
March 31, 2025		
Total settlement		
Foreign exchange		
forward contracts		
Inflows	$ 16,297	$ -
Outflows	(16,566)	-
	($ 269)	$ -

4. Transfers of financial assets

The Group transferred a portion of its banker’ s acceptance bills in China to some of its suppliers in order to settle the accounts payable to these suppliers. As the Group has transferred substantially all risks and rewards relating to these bills’ receivable, it derecognized the full carrying amount of the bills receivable and the associated accounts payable. However, if the derecognized bills receivable is not paid at maturity, the suppliers have the right to request the Group to pay the unsettled balance; therefore, the Group still has continuing involvement in these bills’ receivable.

The maximum exposure to loss from the Group’s continuing involvement in the derecognized bills receivable is equal to the face amounts of the transferred but unsettled bills receivable, and as of March 31, 2026, December 31, 2025 and March 31, 2025, the face amount of these unsettled bills receivable was NT$208,975 thousand, NT$191,497 thousand and NT$204,285 thousand, respectively. The unsettled bills receivable will be due in 6 months after the balance sheet date. Taking into consideration the credit risk of these derecognized bills receivable, the Group estimates that the fair value of its continuing involvement is not significant.

During the three months ended March 31, 2026 and 2025, the Group did not recognize any gains or losses upon the transfer of the banker's acceptance bills. No gains or losses were recognized from the continuing involvement, both during the period or cumulatively.

XXIX. RELATED PARTY TRANSACTIONS

Transactions between the Group and related parties were disclosed as follows:

(I) Name of related parties and relation

Related Parties	Relation with the Group
Wah Lee Industrial Corp.	Investor with significant influence
Shanghai Yikang Chemical Industry Material Limited Company	Subsidiary of Investor with significant influence
DongGuan HuaGang International Trading Co., Ltd.	Subsidiary of Investor with significant influence
Raycong Industrial (Hong Kong) Limited	Subsidiary of Investor with significant influence
Wah Tech Industrial Co., Ltd.	Subsidiary of Investor with significant influence
Wahlee Innovation Materials Private Limited	Subsidiary of Investor with significant influence
Tranceed Logistics Co. Ltd.	Subsidiary of Investor with significant influence
Wah Sheng Industrial Corp.	Associate
Nagase Wahlee Plastics Corp.	Substantive related party
Hightech Polymer Sdn. Bhd.	Substantive related party

(II) Operating transactions

1. Sales of goods

	For the Three Months Ended March 31	
Related Party Category	2026	2025
Investor with significant influence and their subsidiaries	$ 27,000	$ 21,653

The selling prices and collection terms of sales to related parties were similar to third parties.

2. Purchase of goods

Related Party Category	For the Three Months Ended March 31 2026	2025
Investor with significant influence and their subsidiaries	$ 23,540	$ 10,934
Substantive related party	666	1,849
	$ 24,206	$ 12,783

The prices of purchases from related parties were made under arm's length terms and there were no similar transactions with third parties for comparison Payment terms are not significantly different from those of general manufacturers.

3. Other revenue - Rental revenue

Related Party Category	For the Three Months Ended March 31 2026	2025
Investor with significant influence	$ 10	$ 5
Substantive related party	231	128
	$ 241	$ 133

4. Receivables from related parties

(1) Accounts receivable

Related Party Category	March 31, 2026	December 31, 2025	March 31, 2025
Investor with significant influence and their subsidiaries	$ 25,808	$ 22,494	$ 22,778

(2) Other receivables

Related Party Category	March 31, 2026	December 31, 2025	March 31, 2025
Associate	$ -	$ -	$ 10,000
Substantive related party	-	90	-
Investor with significant influence	12	74	7
	$ 12	$ 164	$ 10,007

The outstanding accounts receivable from related parties are unsecured and not recognized for impairment losses.

5. Payables to related parties

Accounts payable

Related Party Category	March 31, 2026	December 31, 2025	March 31, 2025
Investor with significant influence and their subsidiaries	$ 28,802	$ 17,882	$ 10,342
Substantive related party	515	2,012	2,538
	$ 29,317	$ 19,894	$ 12,880

The outstanding payables to related parties are unsecured.

6. Rent Expense

Related Party Category	For the Three Months Ended March 31 2026	2025
Investor with significant influence and their subsidiaries	$ 385	$ 361

The rent is determined by both parties through negotiation between them by referring to local rent, and the rent is collected as agreed in the contract.

(III) Compensation of key management personnel

	For the Three Months Ended March 31 2026	2025
Short-term employee benefits	$ 10,523	$ 12,900
Retirement benefits	195	152
	$ 10,718	$ 13,052

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

XXX. ASSETS PLEDGED AS COLLATERAL

The Group provided the following assets (show as net book value) as collaterals for part of borrowings.

	March 31, 2026	December 31, 2025	March 31, 2025
Property, plant and equipment			
Land	$171,108	$171,108	$171,108
Buildings	181,764	180,430	190,231
	$352,872	$351,538	$361,339

XXXI. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant commitments and contingencies of the Group as of balance sheet date were as follows:

(I) The Group' s unused letters of credit for purchase of merchandise balance as follows:

Unit: Foreign Currencies / NTD (In Thousands)

	March 31, 2026	December 31, 2025	March 31, 2025
USD	$1,610	$1,607	$3,107

(II) The Group' s unrecognized contractual commitment are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Acquisition of equipment	$34,554	$27,305	$15,067

(III) As of March 31, 2026 and December 31 and March 31, 2025, the performance bond issued by the bank to the Group importing goods are NT$1,800 thousand, NT$1,800 thousand and NT$1,500 thousand, respectively.

XXXII. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCY

The following information was summarized according to the foreign currencies other than the functional currency of the Group. The exchange rates disclosed were used to translate the foreign currencies into the functional currency. The significant financial assets and liabilities denominated in foreign currencies were as follows:

Unit: Foreign Currencies/ NTD/ Forex rate (In Thousands)

	Foreign Currencies	Exchange Rate		Carrying Amount
March 31, 2026				
Foreign currency assets				
Monetary items				
USD	$ 34,587	31.9950	(USD:NTD)	$1,106,616
USD	40,277	6.9194	(USD:RMB)	1,288,660
Foreign currency liabilities				
Monetary items				
USD	29,498	31.9950	(USD:NTD)	943,794
USD	24,171	6.9194	(USD:RMB)	773,364
December 31, 2025				
Foreign currency assets				
Monetary items				
USD	34,186	31.43	(USD:NTD)	1,074,471
USD	38,621	7.0288	(USD:RMB)	1,213,843
Foreign currency liabilities				
Monetary items				
USD	28,656	31.43	(USD:NTD)	900,653
USD	23,796	7.0288	(USD:RMB)	747,923
March 31, 2025				
Foreign currency assets				
Monetary items				
USD	37,247	33.205	(USD:NTD)	1,236,798
USD	47,307	7.1782	(USD:RMB)	1,570,816
Foreign currency liabilities				
Monetary items				
USD	31,136	33.205	(USD:NTD)	1,033,858
USD	31,948	7.1782	(USD:RMB)	1,060,849

For the three months ended March 31, 2026 and 2025, realized and unrealized net foreign exchange gains were NT$168 thousand and NT$6,152 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the Group’s entities.

XXXIII. ADDITIONAL DISCLOSURES

(I) Information about significant transactions and (II) investees:

1. Lending funds to others: None
2. Endorsements/guarantees provided: Table 1

3. Significant marketable securities held at the end of the period: Table 2
4. Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 3
5. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 4
6. Others: Intercompany relationships and significant intercompany transactions: Table 5
7. Information on investees: Table 6

(III) Information on investments in mainland China

1. Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 7
2. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses:

(1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period:

	Purchase of Goods		Accounts payable	
	Amount	%	Amount	%
SIP Chang Hong	$ 323	-	$ 874	-
Sun Hong	5,046	1	7,401	2
	$ 5,369	1	$ 8,275	2

(2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period:

	Sales of goods		Accounts receivable	
	Amount	%	Amount	%
SIP Chang Hong	$ 203,619	24	$ 384,107	32
SIP Chang Jun	389	-	403	-
Suzhou Alliance	40,630	5	54,225	5
Xiamen Guang Hong	25,946	3	36,893	3
Sun Hong	18,758	2	24,969	2
Ningbo Changhong	3,743	-	6,420	1

	Sales of goods		Accounts receivable	
	Amount	%	Amount	%
Qingdao Changhong	$ 100	-	$ 570	-
Ningbo Changli	732	-	744	-
	$ 293,917	34	$ 508,331	43

(3) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: None

(4) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: None

(5) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services: None

XXXIV. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance is distinguished by operating area and categories of merchandise and service. The Group' s reportable segments were as follows:

(I) Wah Hong Industrial Corporation (Taiwan)

(II) Wah Hong International Ltd., Sun Hong and Xiamen Guang Hong (South China)

(III) Wah Hong Technology Ltd., SIP Chang Hong, SIP Chang Jun, Ningbo Changhong, Qingdao Changhong, Chang Hong (HK), Ningbo Changli, Smart Succeed Ltd., Granite International Ltd., Allied Royal LLC., Suzhou Alliance and Best Honor Inc. (Eastern China)

The abovementioned reportable segments are mainly engaged in the manufacturing and trading of materials of LCD (Diffusion, Reflection films and optical films etc.), new model panel display, materials of Bulk Molding Compounds (BMC) and Molding products, products of carbon graphite, etc.

Other operating segments were as follows:

- Wah Hong Holding Ltd. and Wah Hong Development Ltd. - International investment business

- Wah Ma Technology Sdn. Bhd. - Manufacturing and trading of BMC materials (Bulk Molding Compounds) and Molding products
- PT. Wah Hong Indonesia - Manufacturing and trading of LCD materials, BMC materials (Bulk Molding Compounds) and Molding products

Segment Revenue, Operating Results and Assets and Liabilities

The following is an analysis of the Group's revenue and results from operations and assets and liabilities by reportable segment:

	Taiwan	South China	Eastern China	Others	Adjustment and Elimination	Total
For the Three Months Ended March 31, 2026						
Revenue from external customers	$ 531,724	$ 316,634	$ 700,173	$ 63,405	$ -	$ 1,611,936
Inter-segment revenue	300,080	17,884	98,482	-	(416,446)	-
Segment revenue	$ 831,804	$ 334,518	$ 798,655	$ 63,405	($ 416,446)	$ 1,611,936
Segment income	$ 12,144	$ 23,140	$ 14,763	($ 1,544)	$ 6,077	$ 54,580
Interest income						3,263
Other income						3,773
Other gains and losses						(2,112)
Finance costs						(10,677)
Share of profit and loss of affiliated enterprises recognized by equity method						6,996
Profit before income tax						55,823
Income tax expenses						(16,324)
Net profit						$ 39,499
March 31, 2026						
Identifiable assets	$ 2,430,594	$ 1,665,905	$ 2,979,798	$ 311,660	($ 736,711)	$ 6,651,246
Financial assets at FVTOCI						797,815
Investments accounted for using equity method						330,437
Total assets						$ 7,779,498
For the Three Months Ended March 31, 2025						
Revenue from external customers	$ 643,149	$ 309,808	$ 871,282	$ 60,511	$ -	$ 1,884,750
Inter-segment revenue	365,926	14,794	181,962	-	(562,682)	-
Segment revenue	$ 1,009,075	$ 324,602	$ 1,053,244	$ 60,511	($ 562,682)	$ 1,884,750
Segment income	$ 56,275	$ 11,784	$ 39,974	$ 1,834	$ 5,446	$ 115,313
Interest income						3,775
Other income						3,060
Other gains and losses						(2,636)
Finance costs						(11,592)
Profit before income tax						107,920
Income tax expenses						(31,534)
Net profit						$ 76,386
March 31, 2025						
Identifiable assets	$ 2,570,739	$ 1,512,431	$ 3,453,118	$ 309,218	($ 952,927)	$ 6,892,579
Financial assets at FVTOCI						694,482
Total assets						$ 7,587,061

Departmental interests refer to the profits earned by each department, excluding the share of profits and losses of affiliated companies using the equity method, other income, other gains and losses, financial costs, and income tax expenses. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

For the purpose of monitoring segment performance and allocating resources between segments, all assets are allocated to reportable segment other than interests in associates accounted for using the equity method and at fair value through other comprehensive income.

WAH HONG INDUSTRIAL CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED

FOR THE THREE MONTHS ENDED MARCH 31, 2026

Table 1 (In Thousands of New Taiwan Dollars)

No.	Endorsement/ Guarantee Provider	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Benefit of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Year	Outstanding Endorsement/ Guarantee at the End of the Period	Amount Actually Drawn	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/Guarantee to Net Equity per Latest Financial Statements (%)	Maximum Endorsement/ Guarantee Amount Allowable (Note 2)	Guarantee Provided by Parent Company	Guarantee Provided by Subsidiary	Guarantee Provided to Subsidiaries in Mainland China	Remark
		Name	Relationship											
0	The Company	Wah Ma Technology Sdn.Bhd. (Wah Ma)	Subsidiary of the Company	1,348,228	6,498	6,498	1,083	-	0.14	3,145,866	Y	N	N	
0	The Company	Wah Hong Holding Limited	Subsidiary of the Company	1,348,228	99,615	99,615	-	-	2.22	3,145,866	Y	N	N	
0	The Company	PT. Wah Hong Indonesia (“WH Indonesia”)	Subsidiary of the Company	1,348,228	72,204	36,526	-	-	0.81	3,145,866	Y	N	N	
0	The Company	Ningbo Changhong Optoelectronics Ltd.	Subsidiary of the Company	1,348,228	69,387	69,387	23,129	-	1.54	3,145,866	Y	N	Y	

Note 1: The limit on endorsement/guarantee given on behalf of each party shall not exceed 20% of the equity of the Company. If the Company directly or indirectly holds 100% of the equity of the endorsee or guarantee, the limit on endorsement/guarantee given on behalf of each party shall not exceed 30% of the equity of the Company.

Note 2: The maximum total amount of endorsement/guarantee shall not exceed 70% of the equity of the Company.

Note 3: USD is converted by spot exchange US$1= NT$31.995; RMB is converted by USD spot exchange US$1 = RMB6.9194; MYR is converted by spot exchange MYR$1 = NT$7.6525; IDR is converted by spot exchange IDR$1 = NT$0.00188.

WAH HONG INDUSTRIAL CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

MARCH 31, 2026

Table 2

(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				Remark
				Number of Note Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Company	Stock							
	Imat Corporation	-	Financial assets at FVTOCI - non-current	1,900,000	$ -	8.26	$ -	
	Forming Co., Ltd.	-	Financial assets at FVTOCI - non-current	1,000,000	-	11.68	-	
	Wah Lee Japan Corporation	Subsidiary of Investor with significant influence	Financial assets at FVTOCI - non-current	300	832	11.54	832	
	Jun Hong Optronics Corporation	-	Financial assets at FVTOCI - non-current	19,800,000	-	14.48	-	
	Wah Lee Industrial Corp.	Investor with significant influence	Financial assets at FVTOCI - non-current	6,807,559	789,677	2.62	789,677	
					$790,509		$790,509	
	Chang Wah Electromaterials Inc.	Associate of investor with significant influence	Financial assets at FVTPL - current	2,275,000	$ 96,801	0.31	$ 96,801	
Wah Hong Holding Ltd.	Stock							
	SiLican Inc	-	Financial assets at FVTOCI - non-current	250,000	$ 7,306	7.20	$ 7,306	

WAH HONG INDUSTRIAL CORPORATION 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

Table 3

(In Thousands of New Taiwan Dollars)

Buyer	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
The Company	SIP Chang Hong Optoelectronics Ltd.	Subsidiaries	Sales of goods	(\$ 203,619)	(24)	120 days after monthly closing	No comparable transactions with third party	Normal trade terms	\$ 384,107	33	Note

Note: It was eliminated on consolidation.

WAH HONG INDUSTRIAL CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL

MARCH 31, 2026

Table 4

(In Thousands of New Taiwan Dollars)

Company Name	Counterparty	Relationship	Ending Balance (Note)	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Wah Hong Industrial Corp.	SIP Chang Hong Optoelectronics Ltd.	Subsidiaries	$384,107	2.13	$ -	-	$ 75,435	$ -

Note: It was eliminated on consolidation.

WAH HONG INDUSTRIAL CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS

FOR THE THREE MONTHS ENDED MARCH 31, 2026

Table 5

(In Thousands of New Taiwan Dollars)

No.	Company Name	Counterparty	Nature of Relationship	Intercompany Transactions			
				Financial Statements Item	Amount	Terms	Percentage of Consolidated Net Revenue or Total Assets%
0	The Company	SIP Chang Hong Optoelectronics Ltd.	Parent company to subsidiary	Sales	$ 203,619	No comparable transactions with third party	12.63
0	The Company	SIP Chang Hong Optoelectronics Ltd.	Parent company to subsidiary	Accounts receivable	384,107	120 days after monthly closing	4.94
0	The Company	Sun Hong Optronics Ltd.	Parent company to subsidiary	Sales	18,758	No comparable transactions with third party	1.16
0	The Company	Sun Hong Optronics Ltd.	Parent company to subsidiary	Accounts receivable	24,969	120 days after monthly closing	0.32
0	The Company	Sun Hong Optronics Ltd.	Parent company to subsidiary	Other receivables	3,375	Subject to the contract	0.04
0	The Company	Ningbo Changhong Optoelectronics Ltd.	Parent company to subsidiary	Sales	3,743	No comparable transactions with third party	0.23
0	The Company	Ningbo Changhong Optoelectronics Ltd.	Parent company to subsidiary	Accounts receivable	6,420	120 days after monthly closing	0.08
0	The Company	Ningbo Changhong Optoelectronics Ltd.	Parent company to subsidiary	Other receivables	1,836	Subject to the contract	0.02
0	The Company	Xiamen Guang Hong Optronics Ltd.	Parent company to subsidiary	Sales	25,946	No comparable transactions with third party	1.61
0	The Company	Xiamen Guang Hong Optronics Ltd.	Parent company to subsidiary	Accounts receivable	36,893	120 days after monthly closing	0.47
0	The Company	Xiamen Guang Hong Optronics Ltd.	Parent company to subsidiary	Other receivables	1,886	Subject to the contract	0.02
0	The Company	Qingdao Changhong Optoelectronics Ltd.	Parent company to subsidiary	Other receivables	2,090	Subject to the contract	0.03
0	The Company	SIP Chang Jun Trading Limited	Parent company to subsidiary	Other receivables	8,075	Subject to the contract	0.10
0	The Company	PT. Wah Hong Indonesia	Parent company to subsidiary	Sales	5,950	No comparable transactions with third party	0.37
0	The Company	PT. Wah Hong Indonesia	Parent company to subsidiary	Accounts receivable	28,015	120 days after monthly closing	0.36
0	The Company	PT. Wah Hong Indonesia	Parent company to subsidiary	Other receivables	1,256	Subject to the contract	0.02
0	The Company	SuZhou Alliance Material.Co.Ltd.	Parent company to subsidiary	Sales	40,630	No comparable transactions with third party	2.52
0	The Company	SuZhou Alliance Material.Co.Ltd.	Parent company to subsidiary	Accounts receivable	54,225	120 days after monthly closing	0.70
0	The Company	SuZhou Alliance Material.Co.Ltd.	Parent company to subsidiary	Other receivables	2,758	Subject to the contract	0.04
1	SIP Chang Hong Optoelectronics Ltd.	Sun Hong Optronics Ltd.	Between subsidiaries	Sales	2,905	No comparable transactions with third party	0.18
1	SIP Chang Hong Optoelectronics Ltd.	Sun Hong Optronics Ltd.	Between subsidiaries	Accounts receivable	6,106	120 days after monthly closing	0.08
1	SIP Chang Hong Optoelectronics Ltd.	Smart Succeed Ltd.	Between subsidiaries	Sales	3,749	No comparable transactions with third party	0.23
1	SIP Chang Hong Optoelectronics Ltd.	Smart Succeed Ltd.	Between subsidiaries	Accounts receivable	3,596	120 days after monthly closing	0.05
2	Sun Hong Optronics Ltd.	The Company	Subsidiary to parent company	Sales	5,046	No comparable transactions with third party	0.31
2	Sun Hong Optronics Ltd.	The Company	Subsidiary to parent company	Accounts receivable	7,401	120 days after monthly closing	0.10
2	Sun Hong Optronics Ltd.	SIP Chang Hong Optoelectronics Ltd.	Between subsidiaries	Sales	9,688	No comparable transactions with third party	0.60

(Continued)

(Continued from previous page)

No.	Company Name	Counterparty	Nature of Relationship	Intercompany Transactions			
				Financial Statements Item	Amount	Terms	Percentage of Consolidated Net Revenue or Total Assets%
2	Sun Hong Optronics Ltd.	SIP Chang Hong Optoelectronics Ltd.	Between subsidiaries	Accounts receivable	$ 18,797	120 days after monthly closing	0.96
3	Qingdao Changhong Optoelectronics Ltd.	Smart Succeed Ltd.	Between subsidiaries	Sales	66,598	No comparable transactions with third party	8.00
3	Qingdao Changhong Optoelectronics Ltd.	Smart Succeed Ltd.	Between subsidiaries	Accounts receivable	69,050	120 days after monthly closing	2.86
4	Xiamen Guang Hong Optronics Ltd.	The Company	Subsidiary to parent company	Other receivables	3,906	Subject to the contract	0.02
5	Ningbo Changhong Optoelectronics Ltd.	Granite International Ltd.	Between subsidiaries	Sales	21,449	No comparable transactions with third party	0.85
5	Ningbo Changhong Optoelectronics Ltd.	Granite International Ltd.	Between subsidiaries	Accounts receivable	35,151	120 days after monthly closing	0.29
5	Ningbo Changhong Optoelectronics Ltd.	Sun Hong Optronics Ltd.	Between subsidiaries	Sales	2,312	No comparable transactions with third party	0.07
5	Ningbo Changhong Optoelectronics Ltd.	Sun Hong Optronics Ltd.	Between subsidiaries	Accounts receivable	5,132	120 days after monthly closing	0.02
6	SuZhou Alliance Material.Co.Ltd.	Xiamen Guang Hong Optronics Ltd.	Between subsidiaries	Accounts receivable	1,631	120 days after monthly closing	
12	Ningbo Changli New Material Limited	Granite International Ltd.	Between subsidiaries	Sales	3,149	No comparable transactions with third party	0.11
12	Ningbo Changli New Material Limited	Granite International Ltd.	Between subsidiaries	Accounts receivable	5,814	120 days after monthly closing	0.06

WAH HONG INDUSTRIAL CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEES

FOR THE THREE MONTHS ENDED MARCH 31, 2026

Table 6

(In Thousands of New Taiwan Dollars)

Investor	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of March 31, 2026			Net Income (Loss) of the Investee	Share of Profit (Loss) (Note 2)	Remark
				March 31, 2026	January 1, 2026	Shares	%	Carrying Amount			
The Company	Wah Hong Holding Ltd.	Mauritius	International investment business	$ 644,137	$ 644,137	20,604,940	100.00	$ 3,025,978	$ 26,905	$ 26,905	Note 4
The Company	Toprising Precision Tech. Co., Ltd.	New Taipei City	Production and trading business of components	7,200	7,200	720,000	27.48	-	-	-	Note 1
The Company	PT Wah Hong Indonesia	Indonesia	Production and trading business of LCD material, BMC (bulk molding compound) material and molded product	243,085	243,085	7,920,000	99.00	36,646	(4,316)	(4,273)	Note 4
The Company	Wah Sheng Industrial Corp.	Taoyuan City	Production and trading business of components	20,000	20,000	2,000,000	50.00	4,243	-	-	Note 1
The Company	Jing De Gases Co., Ltd.	Kaohsiung City	Mixed gas manufacturing	319,000	-	3,944,000	29.00	326,194	24,808	7,194	Note 1
Wah Hong Holding Ltd.	Wah Hong Technology Ltd.	Mauritius	International investment business	142,365	142,365	3,948,025	100.00	1,618,418	9,883	9,883	Note 4
Wah Hong Holding Ltd.	Wah Hong International Ltd.	Mauritius	International investment business	658,444	658,444	20,648,000	100.00	972,606	16,007	16,007	Note 4
Wah Hong Holding Ltd.	Wah Hong Development Ltd.	Mauritius	International investment business	15,095	15,095	500,000	100.00	-	-	-	Note 4
Wah Hong Holding Ltd.	Wah Ma Technology Sdn. Bhd.	Malaysia	Production and trading business of BMC (bulk molding compound) material and molded product	96,869	96,869	6,500,000	100.00	187,313	2,338	2,338	Note 4
Wah Hong Holding Ltd.	Granite International Ltd.	Samoa	International trading business	30,018	30,018	960,000	100.00	1,153	(5)	(5)	Note 4
Wah Hong Holding Ltd.	Smart Succeed Ltd.	Samoa	International trading business	-	-	-	100.00	(1,112)	5	5	Note 4
Wah Hong Holding Ltd.	PT Wah Hong Indonesia	Indonesia	Production and trading business of LCD material, BMC (bulk molding compound) material and molded product	2,455	2,455	80,000	1.00	379	(4,316)	(43)	Note 4
Wah Hong Holding Ltd.	Allied Royal LLC.	Anguilla	International investment business	49,200	49,200	2,715,000	67.50	232,548	(2,263)	(1,528)	Note 4

Note 1: Associate accounted for using the equity method.

Note 2: The share of profit (loss) recognized for the three months ended March 31, 2026 included adjustment of unrealized sales between intra-group companies according to the buyer’s tax rate.

Note 3: Please refer to Table 7 for information on investments in mainland China.

Note 4: It was eliminated on consolidation.

WAH HONG INDUSTRIAL CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

FOR THE TRHEE MONTHS ENDED MARCH 31, 2026

Table 7

(In Thousands of New Taiwan Dollars)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2026	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2026	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment %	Investment Gain (Loss)	Carrying Amount as of March 31, 2026	Accumulated Repatriation of Investment Income as of March 31, 2026	Remark
					Outward	Inward							
SIP Chang Hong Optoelectronics Ltd. ("SIP Chang Hong")	Production and trading business of BMC materials and finished products, diffusion films, reflectors and other LCD materials	$ 455,929	Reinvestment in Mainland China through companies registered in a third region.	$ 62,662	$ -	$ -	$ 62,662	$ 1,269	100.00	$ 1,269	$ 802,313	$ 849,692	
Ningbo Changhong Optoelectronics Ltd. ("Ningbo Changhong")	Production and trading of panel display compound and LCD optical film etc.	63,990	Reinvestment in Mainland China through companies registered in a third region.	-	-	-	-	(2,058)	100.00	(2,058)	296,319	337,835	
Qingdao Changhong Optoelectronics Ltd. ("Qingdao Changhong")	Production and trading of panel display compound and LCD optical film etc.	63,990	Reinvestment in Mainland China through companies registered in a third region.	44,990	-	-	44,990	6,295	100.00	6,295	435,887	49,716	
SIP Chang Jun Trading Limited ("SIP Chang Jun")	Sale of BMC materials and finished products, diffusion films, reflectors and other LCD products	4,624	Reinvestment in Mainland China through companies registered in a third region.	-	-	-	-	4,379	100.00	4,379	83,836	20,008	
SuZhou Alliance Material.Co.Ltd. ("Suzhou Alliance")	Production and trading business of LCD materials	129,580	Reinvestment in Mainland China through companies registered in a third region.	-	-	-	-	(2,263)	67.50	(1,528)	232,544	163,518	
Sun Hong Optronics Ltd. ("Sun Hong")	Production and trading business of BMC materials and finished products, diffusion films, reflectors and other LCD materials	438,332	Reinvestment in Mainland China through companies registered in a third region.	238,092	-	-	238,092	19,585	100.00	19,585	768,382	693,451	
Xiamen Guang Hong Optronics Ltd. ("Xiamen Guang Hong")	Production and processing of optical film products for LCD displays, assembly and design for LCD modules	271,958	Reinvestment in Mainland China through companies registered in a third region.	227,204	-	-	227,204	(3,577)	100.00	(3,577)	204,194	-	

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2026	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2026	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment %	Investment Gain (Loss)	Carrying Amount as of March 31, 2026	Accumulated Repatriation of Investment Income as of March 31, 2026	Remark
					Outward	Inward							
Guangzhou Youguang Optoelectronics Co., Ltd. ("Guangzhou Youguang")	Production of light box, LED Opto-electronic compound and lighting products	131,035	Reinvestment in Mainland China through companies registered in a third region.	15,095	-	-	15,095	-	12.82	-	-	-	
Ningbo Changli New Material Limited ("Ningbo Changli")	Trading business of LCD material and BMC material	6,936	Reinvestment in mainland companies through existing companies in the third party regions	-	-	-	-	(193)	100.00	(193)	21,779	-	

Investor	Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2026	Investment Amount Authorized by Investment Commission, MOEA (Note 3)	Investment Amount Authorized by Investment Commission, MOEA (Note 4)
Wah Hong Industrial Corp.	$ 588,043	$ 1,356,908	$ 2,760,545

Note 1: Investments through Wah Hong Holding Ltd. and then invest through Wah Hong Technology Ltd.

Note 2: Investments through Wah Hong Holding Ltd. and then through Allied Royal LLC.

Note 3: The difference of NT$768,865 thousand between the investment amount approved by the Investment Committee of the Ministry of Economic Affairs and the cumulated investment amount remitted from Taiwan was due to a capital increase of NT$518,691 thousand from the sub-subsidiary surplus in mainland China, and the reinvestment of NT$250,174 thousand from Wah Hong Holding Ltd.'s own funds

Note 4: The upper limit on investment in mainland China is determined by sixty percent (60%) of the Company's net worth.