Yageo Corporation and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2025 and 2024 and Independent Auditors' Report

Deloitte.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Yageo Corporation

Opinion

We have audited the accompanying consolidated financial statements of Yageo Corporation (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

In our opinion, based on our audits and the reports of other auditors (refer to the other matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion based on our audits and the report of other auditors.

Key Audit Matters

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

The key audit matter identified in our audit of the consolidated financial statements for the year ended December 31, 2025 is as follows:

Impairment Assessment of Goodwill

The Group's goodwill mainly arose from a business combination. The goodwill amounted to NT$78,429,533 thousand, representing 20% of the Group's total consolidated assets as of December 31, 2025.

The Group estimated the recoverable amount of each cash-generating unit using the discounted cash flow method. The assumptions and parameters, such as the discount rate and future revenue growth, involve significant estimates and judgments by management. These assumptions and parameters may also be influenced by future market or economic conditions. Because the impairment test involves a high degree of uncertainty, any changes in the relevant estimates or assumptions could have a significant impact on the outcome of the goodwill impairment assessment; therefore, we considered a test of goodwill for impairment assessment as a key audit matter for the annual audit.

Refer to Note 4 to the consolidated financial statements for accounting policies. The key audit matter procedures we performed are described as follows:

1. We obtained an understanding of the processes of internal controls related to impairment assessment and evaluated the design, implementation, and operating effectiveness of internal controls.

2. We obtained the impairment testing evaluation model and assessed whether the adopted methods, assumptions, discount rates, and related parameters were reasonable.

3. We performed sensitivity analysis on the assumptions and parameters used in the evaluation model to assess whether there was any impairment.

Other Matter

We did not audit the financial statements of certain subsidiaries and investees accounted for using the equity method included in the consolidated financial statements of the Group, but such statements were audited by other auditors. Our opinion, insofar as it relates to the amounts included for certain subsidiaries and investees accounted for using the equity method, is based solely on the reports of other auditors. The total assets of these subsidiaries were NT$7,739,729 thousand, representing 2.11%, of the Group's total consolidated assets as of December 31, 2024, and the total revenue of these subsidiaries was NT$2,253,955 thousand, representing 1.85%, of the Group's total consolidated revenue for the year ended December 31, 2024. The total investments in these investees accounted for using the equity method were NT$9,575,029 thousand and NT$5,161,888 thousand, representing 2.45% and 1.41% of the Group's total consolidated assets as of December 31, 2025 and 2024, respectively, and the total share of profit or loss of associates were NT$147,295 thousand and NT$12,410 thousand, representing 0.47% and 0.05% of the Group's total consolidated profit before income tax for the years ended December 31, 2025 and 2024, respectively.

We have also audited the parent company only financial statements of the Company as of and for the years ended December 31, 2025 and 2024, on which we have issued an unmodified opinion with other matter paragraph.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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

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

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

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Meng-Chieh Chiu and Chun-Yu Wang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 16, 2026

<u>*Notice to Readers*</u>

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 audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' 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' report and consolidated financial statements shall prevail.

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025		2024	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 81,473,484	21	$ 61,117,610	17
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	1,097,041	-	1,643,395	-
Financial assets at amortized cost - current (Notes 4 and 9)	15,537,228	4	39,060,583	11
Financial assets for hedging - current (Notes 4 and 10)	-	-	317,773	-
Notes receivable (Notes 4 and 11)	255,249	-	186,077	-
Trade receivables (Notes 4, 11 and 32)	27,536,331	7	21,783,062	6
Other receivables (Notes 4 and 32)	2,718,031	1	3,062,813	1
Inventories (Notes 4 and 12)	31,635,578	8	27,823,123	7
Prepayments	4,216,481	1	2,774,580	1
Other current assets	876,394	-	519,034	-
Total current assets	165,345,817	42	158,288,050	43
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	598,049	-	633,039	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	1,682,915	1	1,547,620	1
Financial assets at amortized cost - non-current (Notes 4 and 9)	27,538,521	7	26,361,044	7
Investments accounted for using the equity method (Notes 4, 5 and 14)	15,383,021	4	10,848,467	3
Property, plant and equipment (Notes 4, 5, 15 and 33)	65,304,773	17	66,410,324	18
Right-of-use assets (Note 4)	2,901,940	1	2,416,951	1
Investment properties (Notes 4 and 16)	369,814	-	383,707	-
Goodwill (Notes 4, 5 and 17)	78,429,533	20	65,760,760	18
Other intangible assets (Notes 4 and 18)	28,270,299	7	29,165,127	8
Deferred tax assets (Notes 4 and 25)	3,536,971	1	3,670,189	1
Refundable deposits	462,811	-	407,227	-
Other non-current assets	964,691	-	783,402	-
Total non-current assets	225,443,338	58	208,387,857	57
TOTAL	$ 390,789,155	100	$ 366,675,907	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 19 and 33)	$ 8,568,759	2	$ 15,804,004	4
Short-term bills payable (Note 19)	67,779,222	17	52,930,987	14
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	62,327	-	4,281	-
Financial liabilities for hedging - current (Notes 4 and 10)	-	-	688,066	-
Notes payable	1,029	-	1,019	-
Trade payables (Note 32)	18,030,392	5	15,002,460	4
Other payables (Notes 21 and 32)	22,515,395	6	20,119,678	6
Current tax liabilities (Notes 4 and 25)	5,854,508	1	5,535,325	2
Lease liabilities - current (Note 4)	470,852	-	425,380	-
Current portion of long-term borrowings and bonds payable (Notes 19 and 20)	9,848,369	3	1,897,848	1
Other current liabilities	2,948,503	1	1,569,338	-
Total current liabilities	136,079,356	35	113,978,386	31
NON-CURRENT LIABILITIES				
Bonds payables (Notes 4 and 20)	4,498,859	1	13,494,177	4
Long-term borrowings (Note 19)	57,588,778	15	57,083,691	16
Deferred tax liabilities (Notes 4 and 25)	8,867,152	2	10,444,256	3
Lease liabilities - non-current (Note 4)	2,138,762	-	1,790,141	-
Net defined benefit liabilities - non-current (Notes 4 and 22)	2,879,457	1	2,777,687	1
Guarantee deposits received	247,053	-	166,560	-
Other non-current liabilities	4,493,186	1	4,387,646	1
Total non-current liabilities	80,713,247	20	90,144,158	25
Total liabilities	216,792,603	55	204,122,544	56
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Ordinary shares	5,182,415	1	5,188,164	1
Capital surplus				
Issuance of ordinary shares	47,290,118	12	47,199,976	13
Treasury share transactions	43,197	-	24,035	-
Share of changes in capital surplus of associates or joint ventures	150,796	-	147,346	-
Employee restricted shares	383,979	-	468,372	-
Total capital surplus	47,868,090	12	47,839,729	13
Retained earnings				
Legal reserve	16,277,200	4	14,338,984	4
Special reserve	454,191	-	869,519	-
Unappropriated earnings	97,409,505	25	85,532,263	24
Total retained earnings	114,140,896	29	100,740,766	28
Other equity				
Exchange differences on translation of the financial statement of foreign operations	5,883,718	2	9,687,841	2
Unrealized valuation gain on financial assets at fair value through other comprehensive income	36,959	-	38,302	-
Gain (loss) on hedging instruments	-	-	(720,742)	-
Unearned employee benefits	(203,535)	-	(282,131)	-
Total other equity	5,717,142	2	8,723,270	2
Treasury shares	(2,030,720)	-	(2,030,720)	-
Total equity attributable to owners of the Company	170,877,823	44	160,461,209	44
NON-CONTROLLING INTERESTS	3,118,729	1	2,092,154	-
Total equity	173,996,552	45	162,553,363	44
TOTAL	$ 390,789,155	100	$ 366,675,907	100

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

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4 and 32)				
Net sales	$ 132,930,016	100	$ 121,667,329	100
OPERATING COSTS (Notes 4, 12, 24 and 32)				
Cost of goods sold	84,800,194	64	79,863,840	66
GROSS PROFIT	48,129,822	36	41,803,489	34
OPERATING EXPENSES (Notes 4, 11, 24 and 32)				
Selling and marketing expenses	7,927,035	6	8,134,032	7
General and administrative expenses	6,975,408	5	6,692,220	5
Research and development expenses	3,418,746	3	3,472,530	3
Expected credit loss	7,973	-	119,176	-
Total operating expenses	18,329,162	14	18,417,958	15
PROFIT FROM OPERATIONS	29,800,660	22	23,385,531	19
NON-OPERATING INCOME AND EXPENSES (Notes 4, 14, 24 and 33)				
Finance costs	(2,868,800)	(2)	(2,825,771)	(2)
Share of profit or loss of associates and joint ventures	480,101	1	322,106	-
Interest income	4,439,472	3	5,016,138	4
Rental income	54,403	-	37,388	-
Gain on financial instruments at fair value through profit or loss	305,082	-	310,889	-
Other gains and losses	(1,091,267)	(1)	617,069	1
Total non-operating income and expenses	1,318,991	1	3,477,819	3
PROFIT BEFORE INCOME TAX	31,119,651	23	26,863,350	22
INCOME TAX EXPENSE (Notes 4 and 25)	7,342,844	5	7,376,719	6
NET PROFIT FOR THE YEAR	23,776,807	18	19,486,631	16

(Continued)

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 22, 23 and 25)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	$ 24,226	-	$ 26,301	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	1,279	-	(96,461)	-
Share of the other comprehensive (loss) income of associates and joint ventures accounted for using the equity method	17,783	-	(9,554)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	5,660	-	3,360	-
	48,948	-	(76,354)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(4,481,350)	(3)	11,739,482	10
Gain (loss) on hedging instruments	720,742	-	(724,671)	(1)
Share of the other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	(65,742)	-	48,488	-
Income tax relating to items that may be reclassified subsequently to profit or loss	757,281	1	(2,356,427)	(2)
	(3,069,069)	(2)	8,706,872	7
Other comprehensive income for the year, net of income tax	(3,020,121)	(2)	8,630,518	7
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 20,756,686	16	$ 28,117,149	23
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 23,634,229	18	$ 19,356,484	16
Non-controlling interests	142,578	-	130,147	-
	$ 23,776,807	18	$ 19,486,631	16
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 20,599,796	16	$ 27,981,168	23
Non-controlling interests	156,890	-	135,981	-
	$ 20,756,686	16	$ 28,117,149	23

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YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	**%**	**Amount**	**%**
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 26)				
Basic	$ 11.51		$ 9.53	
Diluted	$ 11.48		$ 9.41	

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

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owner of the Company															
									Other Equity (Note 23)							
	Capital (Note 23)				Retained Earnings (Note 23)											
	Ordinary Shares	Bond Conversion Entitlement Certificates	Total	Capital Surplus (Notes 23 and 27)	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Unearned Employee Benefits	Treasury Shares (Note 23)	Total	Non-controlling Interests (Note 23)	Total Equity
BALANCE AT JANUARY 1, 2024	$ 4,231,455	$ 3,952	$ 4,235,407	$ 42,261,173	$ 12,586,364	$ 610,919	$ 77,384,975	$ 90,582,258	$ 262,132	$ 140,335	$ 3,929	$ (82,303)	$ (2,030,720)	$ 135,372,211	$ 1,986,653	$ 137,358,864
Appropriation of the 2023 earnings																
Legal reserve	-	-	-	-	1,752,620	-	(1,752,620)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	258,600	(258,600)	-	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(8,385,141)	(8,385,141)	-	-	-	-	-	(8,385,141)	-	(8,385,141)
Share dividends distributed by the Company	838,514	-	838,514	-	-	-	(838,514)	(838,514)	-	-	-	-	-	-	-	-
Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(32,096)	(32,096)
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	-	-	16,019	-	-	-	-	-	-	-	-	-	16,019	-	16,019
Changes in capital surplus from investments in associates and joint ventures accounted for by using equity method	-	-	-	1,616	-	-	-	-	-	-	-	-	-	1,616	1,616	3,232
Share-based payment transactions	3,751	-	3,751	339,489	-	-	-	-	-	-	-	(199,828)	-	143,412	-	143,412
Net profit for the year ended December 31, 2024	-	-	-	-	-	-	19,356,484	19,356,484	-	-	-	-	-	19,356,484	130,147	19,486,631
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	-	29,926	29,926	9,425,709	(106,280)	(724,671)	-	-	8,624,684	5,834	8,630,518
Convertible bonds converted to ordinary shares	114,444	(3,952)	110,492	5,221,432	-	-	-	-	-	-	-	-	-	5,331,924	-	5,331,924
Disposals of investments in equity instruments designated as at fair value through other comprehensive income (loss)	-	-	-	-	-	-	(4,247)	(4,247)	-	4,247	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2024	5,188,164	-	5,188,164	47,839,729	14,338,984	869,519	85,532,263	100,740,766	9,687,841	38,302	(720,742)	(282,131)	(2,030,720)	160,461,209	2,092,154	162,553,363
Appropriation of the 2024 earnings																
Legal reserve	-	-	-	-	1,938,216	-	(1,938,216)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	(415,328)	415,328	-	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(10,284,390)	(10,284,390)	-	-	-	-	-	(10,284,390)	-	(10,284,390)
Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(19,918)	(19,918)
Changes in capital surplus from investments in associates and joint ventures accounted for by using equity method	-	-	-	3,450	-	-	-	-	-	-	-	-	-	3,450	(776)	2,674
Net profit for the year ended December 31, 2025	-	-	-	-	-	-	23,634,229	23,634,229	-	-	-	-	-	23,634,229	142,578	23,776,807
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	-	30,766	30,766	(3,804,123)	18,182	720,742	-	-	(3,034,433)	14,312	(3,020,121)
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	-	-	19,162	-	-	-	-	-	-	-	-	-	19,162	-	19,162
Actual acquisitions of interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	890,379	890,379
Share-based payment transactions	(5,749)	-	(5,749)	5,749	-	-	-	-	-	-	-	78,596	-	78,596	-	78,596
Disposals of investments in equity instruments designated as at fair value through other comprehensive income (loss)	-	-	-	-	-	-	19,525	19,525	-	(19,525)	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2025	$ 5,182,415	$ -	$ 5,182,415	$ 47,868,090	$ 16,277,200	$ 454,191	$ 97,409,505	$ 114,140,896	$ 5,883,718	$ 36,959	$ -	$ (203,535)	$ (2,030,720)	$ 170,877,823	$ 3,118,729	$ 173,996,552

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

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 31,119,651	$ 26,863,350
Adjustments for:		
Expected credit loss recognized on trade receivables	7,973	119,176
Depreciation expense	8,830,166	8,535,491
Amortization expense	1,003,681	1,093,444
Net gain on fair value change of financial assets and liabilities at fair value through profit or loss	(305,082)	(310,889)
Finance costs	2,868,800	2,825,771
Interest income	(4,439,472)	(5,016,138)
Dividend income	(53,811)	(55,346)
Share-based compensation	78,596	143,412
Share of profit of associates and joint ventures	(480,101)	(322,106)
Net loss on disposal of property, plant and equipment	55,365	100,534
Gain on disposal of intangible assets	(1,100)	-
Gain on disposal of subsidiary and associate	(100,496)	(313,884)
Write-down of inventories	785,995	439,394
Net gain on foreign currency exchange	(105,139)	(70,740)
Changes in operating assets and liabilities		
Financial assets and liabilities mandatorily classified at fair value through profit or loss	68,370	152,480
Notes receivable	244,871	(103,845)
Trade receivables	(4,898,288)	(720,912)
Trade receivables of related parties	1,290	(63,204)
Other receivables	113,397	527,687
Other receivables of related parties	3,668	3,192
Inventories	(2,798,802)	839,648
Prepayments	(1,238,208)	(237,780)
Other current assets	(190,656)	(180,858)
Notes payable	(6,952)	(44,771)
Trade payables	2,528,380	(807,622)
Trade payables of related parties	(72,586)	236,433
Other payables	2,092,813	(13,000)
Other payables of related parties	38,105	5,622
Other current liabilities	1,279,842	1,239,364
Net defined benefit liabilities	132,536	(52,989)
Cash generated from operations	36,562,806	34,810,914
Interest received	4,668,175	4,933,343
Dividend received	53,811	55,346
Interest paid	(2,855,116)	(2,815,765)
Income tax paid	(7,566,539)	(5,821,466)
Net cash generated from operating activities	30,863,137	31,162,372

(Continued)

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	$ (112,217)	$ -
Proceeds from sale of financial assets at fair value through other comprehensive income	53,092	21,865
Purchase of financial assets at amortized cost	(7,855,803)	(30,098,952)
Proceeds from sale of financial assets at amortized cost	29,851,836	9,379,507
Purchase of financial assets at fair value through profit or loss	(3,187,637)	(8,505,244)
Proceeds from sale of financial assets at fair value through profit or loss	4,063,739	11,384,399
Acquisition of associates	(4,263,086)	(5,566,352)
Disposal of associates	111,588	540,165
Net cash outflow on acquisition of subsidiaries	(16,695,701)	(353,752)
Net cash inflow on disposal of subsidiaries	-	101,774
Proceeds from capital reduction of investments accounted for using equity method	5,844	12,086
Payments for property, plant and equipment	(6,056,044)	(6,646,163)
Proceeds from disposal of property, plant and equipment	468,202	282,780
Increase in refundable deposits	(55,734)	(186,965)
Decrease in refundable deposits	27,381	-
Payments for intangible assets	(250,813)	(280,011)
Disposal of intangible assets	1,100	-
Dividends received from associates	168,967	154,938
Net cash used in investing activities	(3,725,286)	(29,759,925)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of short-term borrowings	(7,235,124)	(1,869,453)
Proceeds from short-term bills payable	14,848,235	9,872,120
Repayment of bond payable	-	(1,000,040)
Proceeds from long-term borrowings	96,448,348	151,403,756
Repayments of long-term borrowings	(96,991,611)	(147,206,414)
Proceeds from guarantee deposits received	80,491	34,976
Refund of guarantee deposits received	-	(53,972)
Dividends paid to owners of the Company	(10,265,174)	(8,369,074)
Change in non-controlling interests	(19,918)	(32,096)
Net cash generated from (used in) financing activities	(3,134,753)	2,779,803
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(3,647,224)	3,983,902

(Continued)

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
NET INCREASE IN CASH AND CASH EQUIVALENTS	$ 20,355,874	$ 8,166,152
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	61,117,610	52,951,458
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 81,473,484	$ 61,117,610

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

YAGEO CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars Unless Stated Otherwise)

1. GENERAL INFORMATION

Yageo Corporation (the "Company") was incorporated in 1987 in the Republic of China (ROC). The Company's shares are traded on the Taiwan Stock Exchange. The Company mainly manufactures and sells electronic components.

In 2018, the Group acquired 100% equity interest of Brightking Holdings Limited and Pulse Electronics Corporation in a cash settlement amounting to NT$3,328,253 thousand and US$721,461 thousand, respectively. In June 2020, the Group acquired 100% equity interest of KEMET Corporation in a cash settlement amounting to US$1,636,052 thousand.

In June and September 2021, the board of directors and shareholders of the Company, respectively, resolved in their meeting to acquire 100% of the interest of Chilisin Electronics Corp. in a share exchange agreement. The exchange ratio was 0.2002 ordinary shares of the Company for 1 ordinary share of Chilisin Electronics Corp. After the share exchange, Chilisin Electronics Corp. became a 100%-owned subsidiary of the Company and terminated its listing. The transaction was completed in January 2022, and the Company issued 47,779 thousand ordinary shares.

In April 2023, the Group acquired 100% interest of the advanced temperature sensor business division of Heraeus Nexensos in a cash settlement. In November 2023, the Group acquired 100% interest of the advanced industrial and telemecanique sensors business division of Schneider Electric Industries SAS in a cash settlement.

In October 2025, the Group acquired an 87.30% equity interest in Shibaura Electronics Co., Ltd. through a tender offer.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on February 25, 2026.

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

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

   Amendments to IAS 21 "Lack of Exchangeability"

   The initial application of the Amendments to IAS 21 "Lack of Exchangeability" did not have a material impact on the Group's accounting policies.

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

As of the date the consolidated financial statements were authorized for issue, the Group has assessed that the application of other standards and interpretations will not have a material impact on the Group’s financial position and financial performance.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	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 to a Hyperinflationary Presentation Currency”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards 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:

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

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

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

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

b. Basis of preparation

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

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

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period; and

3) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. 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).

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

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

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

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

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of the cost on initial recognition of an investment in an associate.

See Note 13, Tables 6 and 7 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

f. Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise except for exchange differences on:

- Transactions entered into in order to hedge certain foreign currency risks; and

- Monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting consolidated financial statements, the financial statements of the Company's foreign operations (including subsidiaries, associates, joint ventures and branches in other countries) that are prepared using functional currencies which are different from the currency of the Company are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to the non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Goodwill and fair value adjustments recognized on identifiable assets and liabilities of acquired foreign operation are treated as assets and liabilities of the foreign operation and translated at the rates of exchange prevailing at the end of each reporting period. Exchange differences are recognized in other comprehensive income.

g. Inventories

Inventories consist of raw materials, supplies, finished goods and work in progress and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

h. Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor an interest in a joint venture. A joint venture is a joint arrangement whereby the Group and other parties that have joint control of the arrangement have rights to the net assets of the arrangement. The Group uses the equity method to account for its investments in associates and joint ventures.

Under the equity method, investments in an associate and a joint venture are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate and joint venture. The Group also recognizes the changes in the Group's share of the equity of associates and joint ventures.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate and a joint venture at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Company subscribes for additional new shares of an associate and a joint venture at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate and joint venture. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates and joint ventures accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate and joint venture, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate and joint venture is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate and a joint venture equals or exceeds its interest in that associate and joint venture (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate and joint venture), the Group discontinues recognizing its share of further loss, if any. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate and joint venture.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate and a joint venture. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate and joint venture attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate and joint venture. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate and joint venture on the same basis as would be required had that associate directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

When the Group transacts with its associate and joint venture, profits and losses resulting from the transactions with the associate and joint venture are recognized in the Group's consolidated financial statements only to the extent of interests in the associate and joint venture that are not related to the Group.

i. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

j. Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation. Investment properties include right-of-use assets and properties under construction that meet the definition of investment properties. Investment properties also include land held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognized using the straight-line method.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

k. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that are expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the Group disposes of an operation within that unit, the goodwill associated with the operation which is disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal and is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

l. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss.

Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Internally-generated intangible assets - research and development expenditures

Expenditures on research activities are recognized as expenses in the period in which they are incurred.

An internally-generated intangible asset arising from the development phase of an internal project is recognized if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- The ability to measure reliably the expenditures attributable to the intangible asset during its development.

The amount initially-recognized for internally generated intangible asset is the sum of the expenditures incurred from the date when such an intangible asset first meets the recognition criteria listed above. Subsequent to initial recognition, such intangible asset is measured on the same basis as an intangible asset that is acquired separately.

3) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

4) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

m. Impairment of property, plant and equipment, right-of-use asset, investment properties, intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset, investment properties and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

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

n. Financial instruments

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

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

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such a financial asset is mandatorily classified. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, and any dividends, interest earned and remeasurement gains or losses on such financial assets are recognized in profit or loss. Fair value is determined in the manner described in Note 31: Financial instruments.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i) The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents and trade receivables at amortized cost and other receivables, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and

ii) Financial assets that are not credit impaired on purchase or origination but have subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

i) Significant financial difficulty of the issuer or the borrower;

ii) Breach of contract, such as a default;

iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

Bank balances used by the Group that are subject to third-party contractual restrictions are included as part of cash unless the restrictions result in a bank balance that no longer meets the definition of cash. If the contractual restrictions to use the cash extend beyond 12 months after the end of the reporting period, the related amounts are classified as non-current in the statement of financial position.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

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

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

For internal credit risk management purposes, the Group considers the following situations as indication that a financial asset is in default (without taking into account any collateral held by the Group):

i. Internal or external information shows that the debtor is unlikely to pay its creditors.

ii. Financial asset is more than 180 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

Except the following situations, all financial liabilities are measured at amortized cost using the effective interest method:

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when such financial liabilities are held for trading.

Financial liabilities held for trading are stated at fair value, and any interest paid on such financial liabilities is recognized in finance costs; any remeasurement gains or losses on such financial liabilities are recognized in other gains or losses.

Fair value is determined in the manner described in Note 31.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4) Convertible bonds

The component parts of compound instruments (i.e., convertible bonds) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

5) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, swap contracts and foreign exchange option contracts.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument; in which event, the timing of the recognition in profit or loss depends on the nature of the hedging relationship. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts that is within the scope of IFRS 9 are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of IFRS 9 (e.g., financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts, and the host contracts are not measured at FVTPL.

o. Hedge accounting

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

1) Cash flow hedges

The effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gains or losses relating to the ineffective portion are recognized immediately in profit or loss.

The associated gains or losses that were recognized in other comprehensive income are reclassified from equity to profit or loss as reclassification adjustments in the line items relating to the hedged item in the same period in which the hedged item affects profit or loss. If a hedge of a forecasted transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains and losses that were recognized in other comprehensive income are removed from equity and included in the initial cost of the non-financial asset or non-financial liability.

The Group discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised. The cumulative gain or loss on the hedging instrument that was previously recognized in other comprehensive income (from the period in which the hedge was effective) remains separately in equity until the forecasted transaction occurs. When a forecasted transaction is no longer expected to occur, the gains or losses accumulated in equity are recognized immediately in profit or loss.

2) Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gains or losses relating to the ineffective portion are recognized immediately in profit or loss.

The gains and losses on the hedging instrument relating to the effective portion of the hedge, which were accumulated in the foreign currency translation reserve, are reclassified to profit or loss on the disposal or partial disposal of a foreign operation.

p. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

1) Decommissioning and restoration obligation

In accordance with government’s environmental regulations, the Group should restore the factory to its original condition when selling land and buildings. Provisions are recognized based on the present value of the best estimate of future outflows of economic benefits that will be required for fulfillment of the restoration obligation in accordance with government’s environmental regulations.

2) Carbon fee provision

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the carbon fee provision is recognized and measured on the basis of the best estimate of the expenditure required to settle the obligation for the current year.

q. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods comes from sales of passive components and other electronic components. Sales of passive components and other electronic components are recognized as revenue when the goods are shipped because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently.

The Group does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

r. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. However, if leases transfer ownership of the underlying assets to the Group by the end of the lease terms or if the costs of right-of-use assets reflect that the Group will exercise a purchase option, the Group depreciates the right-of-use assets from the commencement dates to the end of the useful lives of the underlying assets.

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee’s incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

s. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than those stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

t. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur, or when the plan amendment or curtailment occurs. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

u. Share-based payment arrangements

<u>Restricted shares for employees granted to employees</u>

The fair value at the grant date of the restricted shares for employees is expensed on a straight-line basis over the vesting period, based on the Group's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in other equity - unearned employee benefits.

When restricted shares for employees are issued, other equity - unearned employee benefits is recognized on the grant date, with a corresponding increase in capital surplus - restricted shares for employees.

At the end of each reporting period, the Group revises its estimate of the number of restricted shares for employees that are expected to vest. The impact of the revision of the original estimates is recognized in profit or loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to capital surplus - restricted shares for employees.

v. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused loss carryforwards and unused tax credits for purchases of machinery, equipment and technology, research and development expenditures, and personnel training expenditures to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The Group has applied the exception from the recognition and disclosure of deferred tax assets and liabilities relating to Pillar Two income taxes. Accordingly, the Group neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

3) Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact of U.S. reciprocal tariffs on the material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Material Accounting Judgements - Significant Influence Over Associates

a. The Group has significant influence over an investee even though the Group holds less than 20% of the voting rights on the investee.

   As stated in Note 14, several companies are associates of the Group although the Group holds less than 20% of the voting rights on each of these companies. The Group has significant influence over these companies by virtue of the right to appoint and remove directors from the board of directors of these companies.

b. The Group, the single largest shareholder with less than 50% of the voting rights on the investee, does not have control but has significant influence over the investee

   As stated in Note 14, the Group is the single largest shareholder of both Advanced Power Electronics Co., Ltd. and ANPEC Electronics Corporation. Considering the Group does not hold the voting rights of more than half of the attendance rate in the shareholders' meeting, the Group cannot direct the relevant activities of and does not have control over Advanced Power Electronics Co., Ltd. and ANPEC Electronics Corporation. Consequently, the Group considered and classified Advanced Power Electronics Co., Ltd. and ANPEC Electronics Corporation as associates by virtue of the Group's ability to exercise significant influence over Advanced Power Electronics Co., Ltd. and ANPEC Electronics Corporation.

Key Sources of Estimation Uncertainty - Impairment of Goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The calculation of the value in use requires management to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances results in downward revision of future cash flows or upward revision of discount rate, a material impairment loss may arise.

6. CASH AND CASH EQUIVALENTS

	December 31 2025	December 31 2024
Cash on hand	$ 3,875	$ 4,055
Checking accounts and demand deposits	55,259,327	48,265,713
Cash equivalents (investments with original maturities of 3 months or less)		
Short-term bills	-	148,795
Time deposits	26,210,282	12,699,047
	$ 81,473,484	$ 61,117,610

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

	December 31 2025	December 31 2024
Time deposits	0.20%-5.62%	0.20%-5.29%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31 2025	December 31 2024
Financial assets at fair value through profit or loss (FVTPL) - current		
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Foreign exchange forward contracts (a)	$ 140,819	$ 27,630
Swap contracts (b)	43,222	22,309
Cross-currency swap contracts (c)	149,729	15,954
Hybrid financial assets		
Credit-linked and interest-linked structured notes (d)	-	30,217
Structured deposits (d)	763,271	1,547,285
	$ 1,097,041	$ 1,643,395
Financial assets at FVTPL - non-current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Listed shares	$ 110,540	$ 78,328
Unlisted shares	34,701	46,701
Private funds	337,699	382,343
Hybrid financial assets		
Credit-linked and interest-linked structured notes (d)	115,109	125,667
	$ 598,049	$ 633,039

(Continued)

	December 31	
	2025	2024
Financial liabilities at FVTPL - current		
Financial liabilities mandatorily classified as at FVTPL		
Derivative financial liabilities (not under hedge accounting)		
Foreign exchange forward contracts (a)	$ 37,761	$ 4,281
Swap contracts (b)	24,566	-
	$ 62,327	$ 4,281

(Concluded)

a. At the end of the year, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2025			
Buy	GBP/USD	2026.01.30	GBP6,668/USD9,000
Buy	USD/NTD	2026.06.22-2026.06.24	USD30,000/NTD831,804
Sell	USD/PLN	2026.02.13-2026.03.16	USD4,300/PLN15,670
Sell	USD/THB	2026.01.09-2026.03.23	USD20,000/THB630,260
Sell	USD/NTD	2026.01.02-2026.12.28	USD140,000/NTD4,364,950
Sell	USD/JPY	2026.01.06	USD10,000/JPY1,566,000
Sell	USD/MXN	2026.01.14-2026.04.08	USD41,949/MXN770,000
Sell	EUR/USD	2026.01.15-2026.03.31	EUR50,000/USD58,835
December 31, 2024			
Buy	GBP/USD	2025.01.31	GBP7,143/USD9,000
Buy	USD/RMB	2025.01.06-2025.02.14	USD56,000/RMB403,138
Sell	USD/PLN	2025.02.12-2025.03.13	USD4,300/PLN17,424
Sell	USD/THB	2025.01.21-2025.03.20	USD15,000/THB516,610

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

b. At the end of the year, outstanding swap contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2025			
Buy	USD/NTD	2026.01.14-2026.12.28	USD124,000/NTD3,760,104
Sell	USD/NTD	2026.06.22-2026.06.24	USD30,000/NTD861,470
December 31, 2024			
Buy	USD/NTD	2025.01.09-2025.03.10	USD55,000/NTD1,777,528

The Group entered into swap contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

c. At the end of the year, outstanding cross-currency swap contracts not under hedge accounting were as follows:

Notional Amount (In Thousands)	Maturity Date	Range of Interest Rates Paid	Range of Interest Rates Received
December 31, 2025			
US$ 40,000	2026.11.19	1.76%	SOFR+0.55%
US$ 100,000	2026.10.19	0.99%	SOFR+0.40%
December 31, 2024			
US$ 40,000	2025.11.19	1.81%	SOFR+0.55%

The Group entered into cross-currency swap contracts to manage exposures to exchange rate and interest rate fluctuations for foreign currency denominated assets and liabilities.

d. Hybrid financial assets

1) Credit-linked and interest-linked structured notes

The Group entered into a structured notes contract with a bank. The structured notes contract includes an embedded derivative instrument which is not closely related to the host contract. The entire contract was assessed and classified mandatorily as at FVTPL since it contained a host that is an asset within the scope of IFRS 9.

2) Structured deposits

The Group entered into a dual currency structured time deposit contract with a bank. The structured time deposit contract includes a dual currency structured time deposit contract. The currency of the principal redeemed on such date will be determined based on the foreign exchange rate. The entire contract was assessed and classified mandatorily as at FVTPL since it contained a host that is an asset within the scope of IFRS 9.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	December 31	
	2025	2024
Non-current		
Investments in equity instruments at fair value through other comprehensive income (FVTOCI)		
Listed shares	$ 1,682,915	$ 1,547,620

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

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31 2025	December 31 2024
Current		
Time deposits with original maturities of more than 3 months (a)	$ 12,174,534	$ 33,615,012
Corporate bonds (b)	3,362,694	5,445,571
	$ 15,537,228	$ 39,060,583
Non-current		
Corporate bonds (b)	$ 22,464,960	$ 20,032,211
Time deposits with original maturities of more than 1 year (a)	5,073,561	6,328,833
	$ 27,538,521	$ 26,361,044

a. The ranges of interest rates for time deposits were approximately 1.22%-5.95% and 1.20%-5.95% per annum as of December 31, 2025 and 2024, respectively.

b. At the end of the year, corporate bonds bought by the Group were as follows:

December 31, 2025

Period	Purchase Amount (In Thousands)	Coupon Rate	Rate of Effective Interest
For the year ended December 31, 2021	US$ 13,000	2.30%-5.52%	1.90%-2.42%
For the year ended December 31, 2021	RMB 130,000	3.12%	3.12%
For the year ended December 31, 2022	US$ 69,800	1.25%-6.35%	3.72%-7.42%
For the year ended December 31, 2022	EUR 19,000	2.13%-2.65%	3.26%-4.26%
For the year ended December 31, 2023	US$ 200,700	1.54%-7.39%	5.02%-6.76%
For the year ended December 31, 2024	US$ 281,048	2.61%-7.02%	4.73%-5.70%
For the year ended December 31, 2025	US$ 219,676	2.87%-6.49%	4.96%-5.82%

December 31, 2024

Period	Purchase Amount (In Thousands)	Coupon Rate	Rate of Effective Interest
For the year ended December 31, 2021	US$ 31,000	2.30%-6.38%	1.89%-3.66%
For the year ended December 31, 2021	RMB 130,000	3.12%	3.12%
For the year ended December 31, 2021	EUR 8,300	4.38%	2.25%-2.26%
For the year ended December 31, 2022	US$ 192,800	0.75%-6.35%	1.92%-7.42%
For the year ended December 31, 2022	EUR 35,000	1.38%-2.65%	3.10%-4.26%
For the year ended December 31, 2023	US$ 200,700	1.54%-7.39%	5.02%-6.76%
For the year ended December 31, 2024	US$ 299,048	2.61%-7.02%	4.73%-5.70%

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

10. FINANCIAL INSTRUMENTS FOR HEDGING

	December 31	
	2025	2024
Financial assets - current		
Net investment in a foreign operation hedges		
Cross-currency swap contracts	$ -	$ 317,773
Financial liabilities - current		
Cash flow hedges		
Foreign exchange forward contracts	$ -	$ 359,523
Cross-currency swap contracts	-	328,543
	$ -	$ 688,066

The Group entered into foreign exchange forward contracts and cross-currency swap contracts, which were used to partially hedge foreign exchange rate risks associated with certain highly probable forecast transactions and exchange rate fluctuations of foreign currency denominated assets and liabilities. The hedge ratio was adjusted in response to the changes in the financial market and capped at 100%.

On the basis of economic relationships, the Group expects that the value of foreign exchange forward contracts, cross-currency swap contracts and the value of hedged forecast transaction will change in opposite directions in response to movements in foreign exchange rates.

The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty's own credit risk on the fair value of the foreign exchange forward contracts and cross-currency swap contracts. No other sources of ineffectiveness emerged from these hedging relationships. Refer to Note 23 (d) for information about gain (loss) on hedging instruments and transferred to initial carrying amount of hedged items for the year ended December 31, 2024.

The following table summarizes the information relating to the hedges of foreign currency and interest risk.

December 31, 2024

Hedging Instruments	Contract Amount (In Thousands)	Maturity	Rate of Interest Paid	Rate of Interest Received
Foreign exchange forward contracts	US$ 73,739	2025.01-2025.09	-	-
Cross-currency swap contracts	JPY 16,500,000	2025.09	TONAR + 0.00%	SOFR + 0.30%
Cross-currency swap contracts	US$ 113,935	2025.09	SOFR + 2.692%	TONAR + 2.25%

11. NOTES RECEIVABLE AND TRADE RECEIVABLES

	December 31	
	2025	2024
Notes receivable		
At amortized cost		
Gross carrying amount - operating	$ 255,249	$ 186,077
Trade receivables		
At amortized cost		
Gross carrying amount	$ 27,186,708	$ 21,433,211
Less: Allowance for impairment loss	(185,957)	(186,611)
	27,000,751	21,246,600
Trade receivables - related party (Note 32)		
At amortized cost		
Gross carrying amount	535,580	536,462
	$ 27,536,331	$ 21,783,062

Trade Receivables

The average credit period of sales of goods was 30-180 days. No interest was charged on trade receivables. The Group adopted a policy of dealing with major customers that the Group could use other publicly available financial information or its own trading records to rate and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

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 year to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using an overdue aging ratio and individual customer evaluation method by reference to the past default records of the debtor and an analysis of the debtor's current financial position, adjusted for general economic condition of the industry in which the debtors operate and an assessment of both the current as well as the forecasted direction of economic condition at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

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

The aging of trade receivables is as follows:

	December 31 2025	December 31 2024
Current term	$ 25,626,175	$ 20,094,555
Past due		
1-60 days	1,757,782	1,586,924
61-90 days	102,846	58,164
91-180 days	131,053	93,319
More than 181 days	104,432	136,711
	$ 27,722,288	$ 21,969,673

The above aging schedule was based on the past due days from end of credit term.

The movements of the loss allowance of trade receivables were as follows:

	For the Year Ended December 31 2025	For the Year Ended December 31 2024
Balance on January 1	$ 186,611	$ 56,859
Add: Net remeasurement of loss allowance	7,973	119,176
Less: Amounts written off	(7,493)	(9,813)
Foreign exchange gains and losses	(1,134)	20,389
Balance on December 31	$ 185,957	$ 186,611

12. INVENTORIES

	December 31 2025	December 31 2024
Finished goods and merchandise	$ 11,487,443	$ 11,338,454
Work in progress	5,958,946	4,584,740
Raw materials	11,531,449	9,746,597
Supplies	688,007	625,041
Inventory in transit	1,969,733	1,528,291
	$ 31,635,578	$ 27,823,123

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

	For the Year Ended December 31 2025	For the Year Ended December 31 2024
Cost of inventories sold	$ 84,014,199	$ 79,424,446
Inventory write-downs	785,995	439,394
	$ 84,800,194	$ 79,863,840

13. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements:

Investor	Investee	Nature of Activities	Proportion of Ownership (%) December 31 2025	Proportion of Ownership (%) December 31 2024	Remark
Yageo Corporation	Yageo Holding (Bermuda) Ltd.	Investment	100.00	100.00	
	Ko-Shin Investment Limited.	Investment	100.00	100.00	
	Brightking Holdings Limited	Investment	100.00	100.00	
	Yageo Corporation (South Asia)	Selling passive components	100.00	100.00	
	Yageo Europe Holding B.V.	Investment	100.00	100.00	
	Yageo South Asia (M) Sdn. Bhd.	Selling passive components	100.00	100.00	
	Pulse Electronics Corporation	Investment	100.00	100.00	
	Yageo Holding Hungary LLC	Investment	100.00	100.00	
	XSemi Corporation	Designing, testing and selling integrated circuits for various applications	35.00	35.00	a.
	Chilisin Electronics Corp.	Manufacturing and selling passive components	100.00	100.00	b.
	Yageo USA (H.K.) Limited	Selling passive components	100.00	100.00	
	Yageo Holding Japan	Investment	100.00	-	e.
	Yageo Electronics Japan	Investment	100.00	-	e.
Ko-Shin Investment Limited	XSemi Corporation	Designing, testing and selling integrated circuits for various applications	15.00	15.00	a.
Yageo Holding (Bermuda) Ltd.	Yageo (Hong Kong) Limited	Investment	100.00	100.00	
	Vitrohm Holding GmbH	Investment	100.00	100.00	
	Yageo Korea	Selling passive components	100.00	100.00	
	Yageo Japan	Selling passive components	-	100.00	f.
	Hsu Tai International (H.K.) Ltd.	Investment	100.00	100.00	
Brightking Holdings Limited	Brightking Enterprise (H.K.) Co., Ltd.	Selling passive components	100.00	100.00	
Pulse Electronics Corporation	Pulse Electronics Inc.	Selling passive components	100.00	100.00	
Pulse Electronics Inc.	Technical Singapore Holdings	Investment	100.00	100.00	
Technical Singapore Holdings	Pulse Electronics (Singapore) Pte. Ltd	Selling passive components	100.00	100.00	
Pulse Electronics (Singapore) Pte. Ltd	Egston Holding GmbH	Investment	100.00	100.00	
Egston Holding GmbH	EGSTON System Electronics Eggenburg GmbH	Selling passive components	100.00	100.00	
	EGSTON Automotive Eggenburg GmbH	Selling passive components	100.00	100.00	
	EGSTON Far East GmbH	Selling passive components	100.00	100.00	
	EGSTON System Electronic spol.s.r.o.	Manufacturing and selling passive components	100.00	100.00	
	EGSTON Electronics (India) Pvt. Ltd.	Manufacturing and selling passive components	100.00	100.00	
	EGSTON Electronics Zhuhai Ltd.	Manufacturing and selling passive components	100.00	100.00	
Yageo Holding Hungary LLC	Yageo Holding Netherlands B.V.	Investment	100.00	100.00	
	KEMET Corporation	Selling passive components	100.00	100.00	
Yageo Electronics Japan	Shibaura Electronics Co., Ltd.	Manufacturing and selling temperature sensor	87.30	-	d.
Shibaura Electronics Co., Ltd.	Tohoku Shibaura Electronics Co., Ltd.	Manufacturing and selling temperature sensor	99.25	-	d.
	Iwate Shibaura Electronics Co., Ltd.	Manufacturing and selling temperature sensor	100.00	-	d.
	Fukushima Shibaura Electronics Co., Ltd.	Manufacturing and selling temperature sensor	100.00	-	d.
	Kakunodate Shibaura Electronics Co., Ltd.	Manufacturing and selling temperature sensor	100.00	-	d.
	Aomori Shibaura Electronics Co., Ltd.	Manufacturing and selling temperature sensor	100.00	-	d.
	Thai Shibaura Denshi Co., Ltd.	Manufacturing and selling temperature sensor	100.00	-	d.
	Dongguan Shibaura Electronics Co., Ltd.	Manufacturing and selling temperature sensor	100.00	-	d.
	Shanghai Shibaura Electronics Co., Ltd.	Manufacturing and selling temperature sensor	100.00	-	d.

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%) December 31 2025	2024	Remark
	Shibaura Electronics Hong Kong Co., Ltd.	Selling temperature sensor	100.00	-	d.
	Shibaura Electronics Korea Co., Ltd.	Selling temperature sensor	100.00	-	d.
	Shibaura Electronics Europe GmbH	Selling temperature sensor	100.00	-	d.
	Shibaura Electronics of America Corporation	Selling temperature sensor	100.00	-	d.
Chilisin Electronics Corp.	Chilisin International Ltd.	Selling passive components	100.00	100.00	
	Chilisin Holding (Samoa) Ltd.	Investment	100.00	100.00	
	Chilisin Holding (Hong Kong) Limited	Investment	94.15	94.15	
	Ferroxcube International Holding B.V.	Investment	100.00	100.00	
	Mag. Layers Scientific-Technics Co., Ltd.	Manufacturing and selling passive components	-	100.00	b.
	Magic Technology Co., Ltd.	Selling passive components	100.00	100.00	
	Bothhand Enterprise Inc.	Manufacturing and selling passive components	100.00	100.00	
	Chilisin Technology Corporation	Selling passive components	-	100.00	b. e.
	Mag Layers International Co., Ltd.	Investment	100.00	-	b.
	Mag Layers USA, Inc.	Selling passive components	100.00	-	b.
Yageo Europe Holding B.V.	Yageo Europe B.V.	Investment	100.00	100.00	
	Yageo Electronics Holding (S) PTE. LTD.	Investment	100.00	100.00	
	Yageo Asia Electronics PTE. LTD.	Investment	100.00	-	c. e.
Yageo Electronics Holding (S) PTE. LTD.	Yageo Electronics Investment (S) PTE. LTD.	Investment	100.00	100.00	
	Ko-E Holding (Cayman)	Investment	97.15	97.15	
	YAGEO Holding France	Investment	100.00	100.00	
Yageo Europe B.V.	Yageo Europe Kft	Investment	100.00	100.00	
Yageo Asia Electronics PTE. LTD.	Yageo Electronics (Dongguan) Co., Ltd.	Manufacturing and selling passive components	100.00	-	c.
	Yageo (Suzhou) Trade Co., Ltd.	Selling passive components	100.00	-	b. c.
	Yageo Components (Suzhou) Co., Ltd.	Manufacturing and selling passive components	100.00	-	c.
	Bestbright Electronics Co., Ltd.	Manufacturing and selling passive components	100.00	-	c.
	Yageo (ShenZhen) Modern Logistics Co., Ltd.	Selling passive components	100.00	-	c. e.
	Yageo Electronics (China) Co., Ltd.	Manufacturing and selling passive components	100.00	-	c.
	Magic Electronic Technology (Hunan) Co., Ltd.	Manufacturing and selling passive components	100.00	-	c.
	Shenzhen Chilisin Electronics Co., Ltd.	Selling passive components	100.00	-	c.
	Guangzhou Bothhand Electronics Co., Ltd.	Manufacturing and selling passive components	100.00	-	c.
	Deyang Bothhand Electronics Co., Ltd.	Manufacturing and selling passive components	100.00	-	c.
	Dongguan Chilisin Electronics Co., Ltd.	Manufacturing and selling passive components	100.00	-	c.
	Hunan Chilisin Electronics Technology Co., Ltd.	Manufacturing and selling passive components	100.00	-	c.
	Mag. Layers International Co., Ltd.	Manufacturing and selling passive components	100.00	-	c.
	Magic Trade (Shenzhen) Co., Ltd.	Selling passive components	100.00	-	c.
	Magic Electronic Technology (Chongqing) Co., Ltd.	Manufacturing and selling passive components	100.00	-	c.
Yageo Electronics Investment (S) PTE. LTD.	Yageo Nexensos GmbH	Manufacturing and selling temperature sensor	100.00	100.00	
	Yageo Nexensos Malaysia Sdn. Bhd.	Manufacturing and selling temperature sensor	100.00	100.00	
YAGEO Holding France	TMSS Holding	Investment	100.00	100.00	
TMSS Holding	TMSS France	Manufacturing and selling temperature sensor	100.00	100.00	
Yageo (Hong Kong) Limited	Yageo Electronics (China) Co., Ltd.	Manufacturing and selling passive components	-	100.00	c.
	Yageo Electronics (Dongguan) Co., Ltd.	Manufacturing and selling passive components	-	100.00	c.
	Yageo (Suzhou) Trade Co., Ltd.	Selling passive components	-	100.00	b. c.
	Yageo Components (Suzhou) Co., Ltd.	Manufacturing and selling passive components	-	100.00	c.

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%) December 31 2025	2024	Remark
Ko-E Holding (Cayman)	Ko-E (H.K.) Limited	Selling passive components	100.00	100.00	
	Ko-E Electronic (Hong Kong) Limited	Selling passive components	100.00	100.00	
Brightking Enterprise (H.K.) Co., Ltd.	Bestbright Electronics Co., Ltd.	Manufacturing and selling passive components	-	100.00	c.
	Ko-E Component Co., Ltd.	Manufacturing and selling passive components	100.00	100.00	
Chilisin International Ltd.	Dongguan CNA Electronics Co., Ltd.	Manufacturing and selling passive components	50.00	50.00	
	Dongguan Chilisin Electronics Co., Ltd.	Manufacturing and selling passive components	-	100.00	c.
	Hunan Chilisin Electronics Technology Co., Ltd.	Manufacturing and selling passive components	-	100.00	c.
	Shenzhen Chilisin Electronics Co., Ltd.	Selling passive components	-	100.00	c.
Chilisin Holding (Samoa) Ltd.	Chilisin Holding (Hong Kong) Limited	Investment	5.85	5.85	
	Suzhou Qiyixin Electronics Co., Ltd.	Selling passive components	-	100.00	b. c.
Chilisin Holding (Hong Kong) Limited	Chilisin Electronics (Vietnam) Limited company	Manufacturing and selling passive components	100.00	100.00	
Ferroxcube International Holding B.V.	Ferroxcube Italia S.r.l.	Selling passive components	100.00	100.00	
	Ferroxcube Deutschland GmbH	Selling passive components	100.00	100.00	
	Ferroxcube USA Inc.	Selling passive components	100.00	100.00	
	Hispano Ferritas S.A.	Selling passive components	100.00	100.00	
	Ferroxcube Polska Sp. Z.o.o.	Manufacturing and selling passive components	100.00	100.00	
	Ferroxcube Hong Kong Limited	Selling passive components	67.00	67.00	
Ferroxcube Polska Sp. Z.o.o.	Ferroxcube Hong Kong Limited	Selling passive components	33.00	33.00	
Ferroxcube Hong Kong Limited	Ferroxcube Electronics (Dongguan) Limited	Manufacturing and selling passive components	100.00	100.00	
Mag. Layers Scientific-Technics Co., Ltd.	Mag Layers International Co., Ltd.	Investment	-	100.00	b.
	Mag Layers USA, Inc.	Selling passive components	-	100.00	b.
Mag Layers International Co., Ltd.	Mag. Layers International Co., Ltd.	Manufacturing and selling passive components	-	100.00	c.
Mag. Layers International Co., Ltd.	Shin Yuan Electronics Productions (Kunshan) Co., Ltd.	Manufacturing and selling passive components	100.00	100.00	
Magic Technology Co., Ltd.	Magic Technology (Samoa) Co., Ltd.	Investment	100.00	100.00	
Magic Technology (Samoa) Co., Ltd.	Magic Electronic Technology (Shenzhen) Co., Ltd.	Manufacturing and selling passive components	-	100.00	f.
	Classic Magic Developments Limited (Samoa)	Selling passive components	100.00	100.00	
	Magic Trade (Shenzhen) Co., Ltd.	Selling passive components	-	100.00	c.
	Trendy Island Investment Limited	Investment	100.00	100.00	
	Magic Electronic Technology (Hunan) Co., Ltd.	Manufacturing and selling passive components	-	100.00	c.
Trendy Island Investment Limited	Magic Electronic Technology (Chongqing) Co., Ltd.	Manufacturing and selling passive components	-	100.00	c.
Bothhand Enterprise Inc.	Bothhand International Investment Co., Ltd.	Investment	100.00	100.00	
Ko-E (H.K.) Limited	Ko-E Technology (Shenzhen) Co., Ltd.	Selling passive components	100.00	100.00	
Bestbright Electronics Co., Ltd.	Brightking (Shenzhen) Co., Ltd.	Selling passive components	100.00	100.00	
Bothhand International Investment Co., Ltd.	Guangzhou Bothhand Electronics Co., Ltd.	Manufacturing and selling passive components	-	100.00	c.
	Deyang Bothhand Electronics Co., Ltd.	Manufacturing and selling passive components	-	100.00	c.
KEMET Corporation	KEMET Electronics Corporation	Manufacturing and selling passive components	100.00	100.00	
KEMET Electronics Corporation	TOKIN Corporation	Manufacturing and selling passive components	100.00	100.00	
Guangzhou Bothhand Electronics Co., Ltd.	Guangzhou Chenghan Electronic Technology Co., Ltd.	Manufacturing and selling passive components	-	100.00	f.
Deyang Bothhand Electronics Co., Ltd.	Deyang Hongyi Electronics Co., Ltd.	Manufacturing and selling passive components	51.00	51.00	

(Concluded)

Remarks:

a. Since the Group cumulatively acquired 50% of XSemi Corporation, the Group has the power to appoint the majority of the board of directors of XSemi Corporation, which has the power to direct the relevant activities of XSemi Corporation. Therefore, the Group concluded that it has control over XSemi Corporation and deems it a subsidiary.

b. To simplify the organizational structure and integrate Group resources, the Board of Directors approved in December 2024 the simplified merger between Mag. Layers Scientific-Technics Co., Ltd. and Chilisin Electronics Corp., with Chilisin Electronics Corp. as the surviving company and Mag. Layers Scientific-Technics Co., Ltd. as the dissolving company. The effective date of the merger is on March 31, 2025. In May 2025, the Board of Directors resolved to carry out a simplified merger between Chilisin Technology Corporation and Chilisin Electronics Corp. with Chilisin Electronics Corp. as the surviving company and Chilisin Technology Corporation as the dissolved company. The merger base date is June 30, 2025. In June 2025, the Board of Directors resolved to carry out a simple merger between Suzhou Qiyixin Electronics Co., Ltd. and Yageo (Suzhou) Trade Co., Ltd., with Yageo (Suzhou) Trade Co., Ltd. as the surviving company and Suzhou Qiyixin Electronics Co., Ltd. as the dissolved company. The merger base date is July 31, 2025.

c. The Group conducted an internal organizational restructuring to integrate Group resources. Certain subsidiaries will be transferred to the ownership of Yageo Asia Electronics Pte Ltd.

d. In October 2025, the Group acquired an 87.30% equity interest in Shibaura Electronics Co., Ltd. through a tender offer. Refer to Note 28.

e. Subsidiaries established:

Subsidiary	**Effective Date**
Chilisin Technology Corporation	Fourth quarter of 2024
Yageo Holding Japan	First quarter of 2025
Yageo Electronics Japan	First quarter of 2025
Yageo Asia Electronics PTE. LTD.	First quarter of 2025
Yageo (ShenZhen) Modern Logistics Co., Ltd.	Second quarter of 2025

f. Subsidiaries that have been dissolved and liquidated:

Subsidiary	**Effective Date**
Yageo Japan	First quarter of 2025
Magic Electronic Technology (Shenzhen) Co., Ltd.	Second quarter of 2025
Guangzhou Chenghan Electronic Technology Co., Ltd.	Fourth quarter of 2025

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2025	**2024**
Investments in associates	$ 15,383,021	$ 10,817,334
Investments in joint ventures	-	31,133
	$ 15,383,021	$ 10,848,467

a. Investments in associates

	December 31 2025	December 31 2024
Material associate		
uPI Semiconductor Corp. (1)	$ 5,341,242	$ 5,161,888
ANPEC Electronics Corporation (2)	4,233,787	-
Advanced Power Electronics Co., Ltd.	3,601,140	3,514,500
	13,176,169	8,676,388
Associates that are not individually material		
Kaimei Electronic Corp. (3)	1,153,828	1,128,127
Global Testing Corporation Limited (GTCL)	481,529	486,746
Ruiyi Technology (HongKong) Share Co., Limited	232,561	209,014
Strong Components Co., Ltd.	131,995	125,283
NT Sales Co., Ltd.	124,030	122,319
Shenzhen Ruiyi Electronics Co., Ltd.	74,835	69,457
KEMET Jianghai Electronics Components Co., Ltd.	8,074	-
	2,206,852	2,140,946
	$ 15,383,021	$ 10,817,334

Remarks:

1) In May 2024, the Group subscribed for 21,000 thousand shares of uPI Semiconductor Corp. through a private placement for cash of NT$5,184,900 thousand; after the subscription, the Group can exercise significant influence over uPI Semiconductor Corp. Transfer of the aforementioned ordinary shares within 3 years from the acquisition date is prohibited by regulations. Goodwill recognized from the acquisition of uPI Semiconductor Corp. is included in the cost of investment in associates.

2) In October 2025, the Group subscribed for 15,977 thousand shares of ANPEC Electronics Corporation through a tender offer for cash of NT$3,676,073 thousand; after the subscription, the Group can exercise significant influence over ANPEC Electronics Corporation. Goodwill recognized from the acquisition of ANPEC Electronics Corporation is included in the cost of investment in associates.

3) Investments in Kaimei Electronic Corp. was accounted for by the equity method since the Group had significant influence over it.

Refer to Table 6 “Information on Investees” and Table 7 “Information on Investments in Mainland China” for the information on nature of activities, principal places of business and countries of incorporation of the associates.

For the years ended December 31, 2025 and 2024, except for Advanced Power Electronics Co., Ltd., Global Testing Corporation Limited (GTCL), uPI Semiconductor Corp. and ANPEC Electronics Corporation for the year ended December 31, 2025, and Advanced Power Electronics Co., Ltd., Global Testing Corporation Limited (GTCL) and uPI Semiconductor Corp. for the year ended December 31, 2024, investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements which have not been audited. Management believes there is no material impact on the equity method of accounting or the calculation of the share of profit or loss and other comprehensive income from the financial statements which have not been audited.

Fair values (Level 1) of investments in associates with available published price quotations are summarized as follows:

Name of Associate	December 31 2025	December 31 2024
uPI Semiconductor Corp.	$ 4,224,870	$ 4,729,050
ANPEC Electronics Corporation	3,903,517	-
Advanced Power Electronics Co., Ltd.	3,206,479	3,263,420
Kaimei Electronic Corp.	1,201,413	897,231
GTCL	327,609	229,355
	$ 12,863,888	$ 9,119,056

1) Material associate

Name of Associate	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights December 31 2025	Proportion of Ownership and Voting Rights December 31 2024
uPI Semiconductor Corp.	Designing, researching, developing and selling of integrated circuits.	Hsinchu	20.54%	20.22%
ANPEC Electronics Corporation	Research, development, production, manufacturing, and sales of power ICs, components and their modules, as well as wireless and network communication ICs and optoelectronic driver ICs.	Hsinchu	24.01%	-
Advanced Power Electronics Co., Ltd.	Design of electronic elements, integrated circuits, semi-conductors, and the testing service.	Hsinchu	29.93%	30.05%

The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards adjusted by the Group for equity accounting purposes.

uPI Semiconductor Corp.

	December 31 2025	December 31 2024
Current assets	$ 14,592,789	$ 13,436,779
Non-current assets	2,236,963	2,631,147
Current liabilities	(1,041,233)	(775,023)
Non-current liabilities	(1,696,053)	(1,757,974)
Equity	$ 14,092,466	$ 13,534,929
Proportion of the Group's ownership	20.54%	20.22%

(Continued)

	December 31	
	2025	2024
Equity attributable to the Group	$ 2,895,004	$ 2,737,139
Goodwill	2,446,238	2,424,749
Carrying amount	$ 5,341,242	$ 5,161,888

(Concluded)

	For the Year Ended December 31	
	2025	2024
Operating revenue	$ 4,581,285	$ 3,697,963
Net profit for the year	$ 692,687	$ 229,993
Other comprehensive income (loss)	18,747	(55,203)
Total comprehensive income for the year	$ 711,434	$ 174,790
Dividends received from the Company	$ 35,666	$ 41,871

Advanced Power Electronics Co., Ltd.

	December 31	
	2025	2024
Current assets	$ 5,671,008	$ 4,866,944
Non-current assets	980,521	1,373,484
Current liabilities	(712,941)	(618,436)
Non-current liabilities	(5,727)	(14,917)
Equity	5,932,861	5,607,075
Non-controlling interests	(66)	1,098
	$ 5,932,795	$ 5,608,173
Proportion of the Group's ownership	29.93%	30.05%
Equity attributable to the Group	$ 1,775,705	$ 1,685,595
Goodwill	1,825,435	1,828,905
Carrying amount	$ 3,601,140	$ 3,514,500

	For the Year Ended December 31	
	2025	2024
Operating revenue	$ 3,104,313	$ 2,918,407
Net profit for the year	680,080	$ 565,960
Other comprehensive income (loss)	4,586	(11,930)
Total comprehensive income for the year	$ 684,666	$ 554,030
Dividends received from the Company	$ 113,547	$ 88,555

ANPEC Electronics Corporation

	December 31, 2025
Current assets	$ 5,305,293
Non-current assets	1,482,077
Current liabilities	(1,636,437)
Non-current liabilities	(191,318)
Equity	4,959,615
Non-controlling interests	(1,020,156)
	$ 3,939,459
Proportion of the Group's ownership	24.01%
Equity attributable to the Group	$ 945,864
Goodwill	3,287,923
Carrying amount	$ 4,233,787

	For the Year Ended December 31, 2025
Operating revenue	$ 7,483,689
Net profit for the year	$ 1,148,531
Other comprehensive income	1,827
Total comprehensive income for the year	$ 1,150,358
Dividends received from the Company	$ -

2) Aggregate information of associates that are not individually material

	For the Year Ended December 31	
	2025	2024
The Group's share of:		
Net profit for the year	$ 129,216	$ 140,983
Other comprehensive income (loss)	(55,540)	46,473
Total comprehensive income for the year	$ 73,676	$ 187,456

b. Investments in joint ventures

	December 31	
	2025	2024
Joint ventures that are not individually material		
KEMET Jianghai Electronics Components Co., Ltd.	$ -	$ 31,133

The proportion of ownership and voting rights that the Group directly invested in the joint ventures is as follows:

	Proportion of Ownership and Voting Rights	
	December 31	
Name of Joint Venture	2025	2024
KEMET Jianghai Electronics Components Co., Ltd.	-	50%

KEMET Electronics Corporation, a subsidiary of the Company, entered into a joint venture agreement with Jianghai (Nantong) Film Capacitor Co., Ltd. for the establishment of KEMET Jianghai Electronics Components Co., Ltd. on January 29, 2018. KEMET Electronics Corporation acquired 50% equity interest of KEMET Jianghai Electronics Components Co., Ltd. and represented the same number of seats on the board of directors as Jianghai (Nantong) Film Capacitor Co., Ltd.

In December 2023, the Group's subsidiary - Shanghai Arcotronics Components & Machineries Co., Ltd.'s board of directors, resolved to acquire the electrolytic capacitor business division of KEMET Jianghai Electronics Components Co., Ltd. in a cash settlement. The transaction was completed in June 2024, with a purchase price of NT$275,825 thousand.

In September 2024, the Board of Directors of the Group's subsidiary, Shanghai Arcotronics Components & Machineries Co., Ltd., approved the disposal of its 20% equity interest in KEMET Jianghai Electronics Components Co., Ltd. The transaction was completed in February 2025, with total consideration of NT$111,588 thousand. Following the disposal, the board representation was adjusted in accordance with the revised shareholding ratio. Accordingly, the Group reclassified its investment in KEMET Jianghai Electronics Components Co., Ltd. from a joint venture to an associate.

15. PROPERTY, PLANT AND EQUIPMENT

	December 31	
	2025	2024
Assets used by the Group	$ 65,304,773	$ 66,407,580
Assets leased under operating leases	-	2,744
	$ 65,304,773	$ 66,410,324

a. Assets used by the Group

	Freehold Land	Buildings	Machinery Equipment	Other Equipment	Construction in Progress and Unaccepted Equipment	Total
Cost						
Balance on January 1, 2025	$ 4,751,401	$ 38,574,865	$ 111,558,817	$ 8,227,443	$ 4,510,020	$ 167,622,546
Additions	-	90,683	584,788	102,898	5,181,852	5,960,221
Disposals	-	(521,478)	(2,266,486)	(298,018)	-	(3,085,982)
Acquisitions through business combinations (Note 28)	198,984	3,004,546	4,074,876	490,289	485,455	8,254,150
Transfers from assets leased under operating leases	1,980	2,044	-	-	-	4,024
Effects of foreign currency exchange differences	(26,328)	(65,255)	(99,652)	(14,376)	(16,883)	(222,494)
Reclassifications	-	1,570,198	2,575,527	1,147,153	(5,679,633)	(386,755)
Balance on December 31, 2025	$ 4,926,037	$ 42,655,603	$ 116,427,870	$ 9,655,389	$ 4,480,811	$ 178,145,710
Accumulated depreciation and impairment						
Balance on January 1, 2025	$ 3,808	$ 17,367,645	$ 77,825,978	$ 6,017,535	$ -	$ 101,214,966
Disposals	-	(264,221)	(1,958,051)	(340,143)		(2,562,415)
Acquisitions through business combinations (Note 28)	-	1,715,608	3,588,519	424,445	-	5,728,572
Transfers from assets leased under operating leases	-	1,288	-	-	-	1,288
Depreciation expense	-	1,817,963	6,048,525	666,481	-	8,532,969
Effects of foreign currency exchange differences	-	(47,015)	(11,185)	(16,243)	-	(74,443)
Balance on December 31, 2025	$ 3,808	$ 20,591,268	$ 85,493,786	$ 6,752,075	$ -	$ 112,840,937
Carrying amount on December 31, 2025	$ 4,922,229	$ 22,064,335	$ 30,934,084	$ 2,903,314	$ 4,480,811	$ 65,304,773
Cost						
Balance on January 1, 2024	$ 4,765,776	$ 36,361,864	$ 103,655,706	$ 7,620,293	$ 7,968,273	$ 160,371,912
Additions	-	47,878	887,355	7,204	5,301,526	6,243,963
Disposals	(55,022)	(516,343)	(1,721,335)	(151,344)	-	(2,444,044)
Transfers to investment properties	-	(267,718)	-	-	-	(267,718)
Effects of foreign currency exchange differences	40,647	960,813	3,378,830	224,311	(26,804)	4,577,797
Reclassifications	-	1,988,371	5,358,261	526,979	(8,732,975)	(859,364)
Balance on December 31, 2024	$ 4,751,401	$ 38,574,865	$ 111,558,817	$ 8,227,443	$ 4,510,020	$ 167,622,546
Accumulated depreciation and impairment						
Balance on January 1, 2024	$ 3,808	$ 15,697,941	$ 71,153,843	$ 5,341,661	$ -	$ 92,197,253
Disposals	-	(498,054)	(1,417,700)	(144,976)	-	(2,060,730)
Transfers to investment properties	-	(20,022)	-	-	-	(20,022)
Depreciation expense	-	1,728,480	5,841,690	642,186	-	8,212,356
Effects of foreign currency exchange differences	-	459,300	2,248,145	178,664	-	2,886,109
Balance on December 31, 2024	$ 3,808	$ 17,367,645	$ 77,825,978	$ 6,017,535	$ -	$ 101,214,966
Carrying amount on December 31, 2024	$ 4,747,593	$ 21,207,220	$ 33,732,839	$ 2,209,908	$ 4,510,020	$ 66,407,580

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

Buildings	
Main buildings	40-60 years
Engineering system	27-56 years
Others	1-20 years
Machinery equipment	1-20 years
Other equipment	1-20 years

b. Assets leased under operating leases

	Land	Buildings	Total
Cost			
Balance on January 1, 2025	$ 1,980	$ 2,044	$ 4,024
Transfers to assets used by the Group	(1,980)	(2,044)	(4,024)
Balance on December 31, 2025	$ -	$ -	$ -
Accumulated depreciation			
Balance on January 1, 2025	$ -	$ 1,280	$ 1,280
Transfers to assets used by the Group	-	(1,288)	(1,288)
Depreciation expense	-	8	8
Balance on December 31, 2025	$ -	$ -	$ -
Carrying amount on December 31, 2025	$ -	$ -	$ -
Cost			
Balance on January 1, 2024	$ 1,980	$ 182,254	$ 184,234
Effects of foreign currency exchange differences	-	3,826	3,826
Transfers to investment properties	-	(184,036)	(184,036)
Balance on December 31, 2024	$ 1,980	$ 2,044	$ 4,024
Accumulated depreciation			
Balance on January 1, 2024	$ -	$ 74,512	$ 74,512
Depreciation expense	-	30	30
Effects of foreign currency exchange differences	-	1,555	1,555
Transfers to investment properties	-	(74,817)	(74,817)
Balance on December 31, 2024	$ -	$ 1,280	$ 1,280
Carrying amount on December 31, 2024	$ 1,980	$ 764	$ 2,744

Operating leases relate to lease of the property owned by the Group with lease terms between 1 and 5 years. All operating lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the assets at the expiry of the lease periods.

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

	December 31	
	2025	2024
Not later than 1 year	$ -	$ 1,163
Later than 1 year and not later than 5 years	-	303
	$ -	$ 1,466

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

Buildings	
Main buildings	50-56 years

16. INVESTMENT PROPERTIES

	Building
Cost	
Balance on January 1, 2025	$ 505,566
Effects of foreign currency exchange differences	916
Balance on December 31, 2025	$ 506,482
Accumulated depreciation	
Balance on January 1, 2025	$ 121,859
Depreciation expense	14,738
Effects of foreign currency exchange differences	71
Balance on December 31, 2025	$ 136,668
Carrying amount on December 31, 2025	$ 369,814
Cost	
Balance on January 1, 2024	$ 45,477
Transfers from property, plant and equipment	451,754
Effects of foreign currency exchange differences	8,335
Balance on December 31, 2024	$ 505,566
Accumulated depreciation	
Balance on January 1, 2024	$ 10,043
Transfers from property, plant and equipment	94,839
Depreciation expense	15,066
Effects of foreign currency exchange differences	1,911
Balance on December 31, 2024	$ 121,859
Carrying amount on December 31, 2024	$ 383,707

Lease commitments (the Group as a lessor) with lease terms commencing after the balance sheet dates are as follows:

	December 31	
	2025	2024
Lease commitments of investment properties	$ 229,955	$ 127,200

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

Building	25-28 years

The fair value of the investment properties of the Group located in Guangdong, China, had not been assessed by an independent appraiser. The management of the Group used the valuation model that market participants would use in determining the fair value, and the fair value was measured using Level 3 inputs. The valuation was arrived at by reference to market evidence of transaction prices for similar properties. The fair value as appraised was as follows:

	December 31	
	2025	2024
Fair value	$ 373,044	$ 382,195

Management was unable to reliably measure the fair value of investment property located in Chongqing, China, the market for comparable properties is inactive and alternative reliable measurements of fair value are not available; therefore, the Group determined that the fair value of the investment property was not reliably measurable.

17. GOODWILL

	For the Year Ended December 31	
	2025	2024
Cost		
Balance on January 1	$ 65,760,760	$ 63,163,507
Acquisitions through business combinations (Note 28)	12,789,454	-
Effects of foreign currency exchange differences	(120,681)	2,597,253
Balance on December 31	$ 78,429,533	$ 65,760,760

In the first quarter of 2024, the Group received the valuation report which indicated that the fair value of assets and liabilities of Heraeus Nexensos GmbH and Heraeus Nexensos Malaysia Sdn. Bhd. (collectively, the “Nexensos”) at the date of acquisition was NT$2,077,650 thousand. The comparative figures have been restated as if the initial accounting was completed at the acquisition date.

The impact of retrospective adjustments on related items of consolidated balance sheets is set out below:

	Acquisition Date (Provisional Amount)	Acquisition Date (Fair Value)
Goodwill	$ 1,240,954	$ 784,427
Trade receivables and other receivables	188,485	120,299
Inventories	728,103	810,207
Other current assets	181,007	27,453
Property, plant and equipment	1,129,132	1,410,340
Other intangible assets	246	442,404
Other non-current assets	26,301	12,995
Trade payables and other payables	(301,767)	(65,713)
Other current liabilities	(362,734)	(202,363)
Other non-current liabilities	(396,423)	(906,745)

It was indicated in a valuation report received in the fourth quarter of 2024 that the fair value of assets and liabilities of the telemecanique sensors business division of TMSS Holding (collectively, the "Telemecanique") at the date of acquisition to NT$9,480,493 thousand. The comparative figures have been restated as if the initial accounting was completed at the acquisition date.

	Acquisition Date (Previously Provisional Amount)	Acquisition Date (Fair Value)
Goodwill	$ 16,144,639	$ 14,632,081
Trade receivables and other receivables	2,941,911	2,933,723
Inventories	2,245,889	2,979,744
Property, plant and equipment	1,055,288	1,567,992
Other intangible assets	3,659,461	4,253,432
Other non-current assets	14,670	14,618
Trade payables and other payables	(2,910,210)	(2,904,179)
Lease liabilities - current	(10,360)	(10,331)
Other current liabilities	(96,641)	(64,955)
Lease liabilities - non-current	(22,190)	(22,098)
Other non-current liabilities	(149,578)	(149,545)

The recoverable amount of the cash-generating unit was determined based on a value in use calculation. The Group's management estimated the recoverable amounts of core assets at their expected useful lives and thus based the cash flow forecast with the following discount rates as of December 31, 2025 and 2024: 10.49%-12.49% and 11.28%-11.95%, respectively. The operating revenue forecast was based on the expected future growth rate of the passive product industry along with the projected advancement of the Group's own business. The Group's management believed that any reasonable changes in the principal assumptions would not result in the carrying values exceeding the recoverable amounts. As of December 31, 2025 and 2024, there was no indication of impairment loss based on the principal assumptions.

18. OTHER INTANGIBLE ASSETS

	Computer Software	Patents and Proprietary Technology	Customer Relationships	Trademark and Brand	Others	Total
Cost						
Balance on January 1, 2025	$ 2,943,109	$ 3,788,249	$ 2,798,059	$ 23,166,872	$ 2,253,218	$ 34,949,507
Additions	24,307	-	-	-	226,506	250,813
Acquisitions through business combinations (Note 28)	81,281	-	-	-	3,671	84,952
Disposal	(56,678)	-	-	(117)	(2,097)	(58,892)
Reclassifications	1,207,222	-	-	-	(736,475)	470,747
Effects of foreign currency exchange differences	(67,418)	22,881	58,232	(651,652)	(54,653)	(692,610)
Balance on December 31, 2025	$ 4,131,823	$ 3,811,130	$ 2,856,291	$ 22,515,103	$ 1,690,170	$ 35,004,517
Accumulated amortization and impairment						
Balance on January 1, 2025	$ 2,606,812	$ 1,382,888	$ 1,009,327	$ 288	$ 785,065	$ 5,784,380
Amortization expense	252,336	296,932	271,201	80	183,132	1,003,681
Disposal	(56,678)	-	-	(117)	(2,097)	(58,892)
Acquisitions through business combinations (Note 28)	68,909	-	-	-	115	69,024
Effects of foreign currency exchange differences	189,341	(27,283)	(4,123)	-	(221,910)	(63,975)
Balance on December 31, 2025	$ 3,060,720	$ 1,652,537	$ 1,276,405	$ 251	$ 744,305	$ 6,734,218
Carrying amount on December 31, 2025	$ 1,071,103	$ 2,158,593	$ 1,579,886	$ 22,514,852	$ 945,865	$ 28,270,299
Cost						
Balance on January 1, 2024	$ 2,628,142	$ 3,670,036	$ 2,721,442	$ 21,990,031	$ 2,006,247	$ 33,015,898
Additions	60,216	-	-	-	219,795	280,011
Disposal	(11,175)	(332)	-	-	-	(11,507)
Reclassifications	155,278	-	-	-	(79,298)	75,980
Effects of foreign currency exchange differences	110,648	118,545	76,617	1,176,841	106,474	1,589,125
Balance on December 31, 2024	$ 2,943,109	$ 3,788,249	$ 2,798,059	$ 23,166,872	$ 2,253,218	$ 34,949,507
Accumulated amortization and impairment						
Balance on January 1, 2024	$ 2,214,086	$ 1,008,537	$ 703,637	$ 208	$ 540,097	$ 4,466,565
Amortization expense	301,339	318,916	270,640	80	202,469	1,093,444
Disposal	(11,175)	(332)	-	-	-	(11,507)
Effects of foreign currency exchange differences	102,562	55,767	35,050	-	42,499	235,878
Balance on December 31, 2024	$ 2,606,812	$ 1,382,888	$ 1,009,327	$ 288	$ 785,065	$ 5,784,380
Carrying amount on December 31, 2024	$ 336,297	$ 2,405,361	$ 1,788,732	$ 23,166,584	$ 1,468,153	$ 29,165,127

The trademark, brand and other intangible assets acquired through business combinations. Various studies including industrial characteristics, product life cycle studies and enterprise characteristics have been performed by management of the Group, which supported their opinion that there is no foreseeable limit to the period over which the trademark, brand and other intangible assets are expected to generate net cash flows. Therefore, the trademark, brand and other intangible assets are considered to have an indefinite useful life. The trademark, brand and other intangible assets will not be amortized until its useful life is determined to be finite. Instead, it will be tested for impairment annually and whenever there is an indication that it may be impaired.

The recoverable amount of trademark was determined based on a value in use calculation that used the cash flow projections in the financial budgets approved by management covering a 5-year period; the discount rates as of December 31, 2025 and 2024: 10.49%-12.49% and 11.28%-11.95%, respectively. The cash flows beyond that 5-year period have been extrapolated using the expected growth rate. Other key assumptions included budgeted revenue and more. Such assumptions were based on the past performance of the cash-generating unit and management's expectations of market development.

No impairment loss on trademark, brand and other intangible assets were recognized for the years ended December 31, 2025 and 2024.

Other intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Trademark	9-10 years
Computer software	2-10 years
Patents and proprietary technology	5-20 years
Customer relationships	9.5-12 years
Others	2-15 years

19. BORROWINGS

a. Short-term borrowings

	December 31	
	2025	2024
Secured borrowings (Note 33)		
Bank loans	$ 54,136	$ 207,035
Unsecured borrowings		
Line of credit borrowings	8,514,623	15,596,969
	$ 8,568,759	$ 15,804,004

The effective interest rates for bank loans had ranges of 0.94%-4.50% and 0.94%-5.79% per annum on December 31, 2025 and 2024, respectively.

b. Short-term bills payable

	For the Year Ended December 31	
	2025	2024
Commercial paper	$ 67,950,000	$ 53,100,000
Less: Unamortized discount on bills payable	(170,778)	(169,013)
	$ 67,779,222	$ 52,930,987

Outstanding short-term bills payable were as follows:

December 31, 2025

Promissory Institutions	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate	Collateral	Carrying Amount of Collateral
Commercial paper						
IBFC Bills	$ 12,500,000	$ 37,538	$ 12,462,462	1.758-1.788%	-	$ -
Taching Bills	8,950,000	18,986	8,931,014	1.778%	-	-
CBF Bills	8,400,000	17,580	8,382,420	1.758-1.788%	-	-
SinoPac Bills	8,000,000	17,852	7,982,148	1.768-1.788%	-	-
Grand Bills	7,400,000	9,421	7,390,579	1.778-1.788%	-	-
TFC Bills	5,000,000	17,249	4,982,751	1.758-1.788%	-	-
MEGA Bills	4,500,000	5,966	4,494,034	1.768-1.778%	-	-
Taishin Bills	4,400,000	18,391	4,381,609	1.758-1.788%	-	-
CTBF Bills	4,300,000	15,427	4,284,573	1.778%	-	-
Yuanta Bills	3,200,000	9,192	3,190,808	1.758-1.788%	-	-
KGI Bills	1,300,000	3,176	1,296,824	1.768-1.788%	-	-
	$ 67,950,000	$ 170,778	$ 67,779,222			$ -

December 31, 2024

Promissory Institutions	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate	Collateral	Carrying Amount of Collateral
Commercial paper						
IBFC Bills	$ 12,000,000	$ 44,887	$ 11,955,113	1.908-1.978%	-	$ -
Grand Bills	9,000,000	27,540	8,972,460	1.958-1.978%	-	-
CBF Bills	7,500,000	25,201	7,474,799	1.958-1.978%	-	-
Taching Bills	6,600,000	22,941	6,577,059	1.948-1.988%	-	-
SinoPac Bills	5,800,000	10,745	5,789,255	1.958-1.978%	-	-
MEGA Bills	3,900,000	7,861	3,892,139	1.958-1.988%	-	-
Taishin Bills	2,500,000	8,124	2,491,876	1.958-1.968%	-	-
TFC Bills	2,500,000	5,252	2,494,748	1.958-1.978%	-	-
CTBF Bills	1,400,000	6,078	1,393,922	1.958-1.978%	-	-
Yuanta Bills	1,400,000	8,921	1,391,079	1.968-1.978%	-	-
KGI Bills	500,000	1,463	498,537	1.978%	-	-
	$ 53,100,000	$ 169,013	$ 52,930,987			$ -

c. Long-term borrowings

	December 31	
	2025	2024
Unsecured borrowings		
Line of credit borrowings	$ 58,438,276	$ 58,981,539
Less: Current portions	(849,498)	(1,897,848)
Long-term borrowings	$ 57,588,778	$ 57,083,691

The effective interest rates of long-term bank loans were 0.20% to 4.53% and 0.20% to 2.08% per annum on December 31, 2025 and 2024, respectively.

The Company is required to maintain its interim and annual current ratios, debt ratios, and interest coverage ratios in compliance with the financial covenants specified in the agreement.

20. BONDS PAYABLE

	December 31 2025	December 31 2024
Unsecured domestic bonds (a)	$ 13,500,000	$ 13,500,000
Less: Discounts on bonds payable	(2,270)	(5,823)
	13,497,730	13,494,177
Less: Current portions	(8,998,871)	-
	$ 4,498,859	$ 13,494,177

a. Unsecured domestic bonds

On May 3, 2021, the Company issued five-year unsecured domestic bonds with an aggregate principal amount of $5,500,000 thousand and an annual simple interest rate of 0.68%. The principal will be repaid in a lump sum on May 3, 2026.

On September 3, 2021, the Company issued three-year and five-year unsecured domestic bonds with an aggregate principal amounts of $1,000,000 thousand and 3,500,000 thousand, respectively. The three-year and five-year unsecured domestic bonds have annual simple interest rates of 0.47% and 0.60%, respectively. The principal will be repaid in lump sum at maturity. The Company repaid the three-year unsecured domestic bonds on September 3, 2024.

On January 12, 2022, the Company issued five-year unsecured domestic bonds with an aggregate principal amount of $4,500,000 thousand and an annual simple interest rate of 0.73%. The principal will be repaid in a lump sum on January 12, 2027.

b. Unsecured overseas convertible bonds

On March 2, 2020, the Corporation's board of directors resolved to issue overseas unsecured convertible bonds for the fifth time. This proposal was approved and became effective under the letter issued by the FSC dated March 26, 2020 (Financial-Supervisory-Securities-Corporate Issue No. 10903342431). The bonds with a duration of 5 years were listed on the Singapore Stock Exchange on May 26, 2020. This zero-coupon overseas convertible bonds have a face value of US$180,000 thousand.

Bondholders may request the Company to convert the bonds into the Company's ordinary shares at any time within the period from the following day after three months from the issuance date to 10 days prior to maturity, or the date on which the bondholder exercises the right to buy back or until the fifth business day before the Company exercises the early redemption right. The conversion price ($485 per share) at the time of issuance is determined by 30% premium to closing price of the Company's ordinary shares on the Taiwan Stock Exchange. Number of shares converted should be decided by face value of the bonds at a fixed exchange rate of US$1:NT$29.928, which is to be divided by the conversion price per share on the conversion date. The conversion price after the issuance of convertible bonds will be adjusted according to the anti-dilution clause of the Conversion Rules of the Company. As of July 26, 2024, the conversion price has been adjusted to $487.37 per share.

From January 1 to July 26, 2024, convertible bonds with a denomination of US$180,000 thousand had been converted into 11,038 thousand ordinary shares.

The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - equity component of convertible bonds. The effective interest rate of the liability component was 1.22% per annum on initial recognition.

Proceeds from issuance (less transaction costs of $41,316 thousand)	$ 5,345,724
Equity component (less transaction costs allocated to the equity component of $1,963 thousand)	(252,844)
Buy-back/redemption rights derivative instruments	(24,242)
Liability component at the date of issue (less transaction costs allocated to the liability component of $39,353 thousand)	5,068,638
Interest charged at an effective interest rate of 1.22%	226,210
Liability component on December 31, 2023	5,294,848
Interest charged at an effective interest rate of 1.22%	32,101
Convertible bonds converted into ordinary shares	(5,326,949)
Liability component on December 31, 2024	$ -

The movements of derivative financial instruments were as follows: (Accounted for as financial assets (liabilities) at fair value through profit or loss)

	For the Year Ended December 31, 2024
Balance on January 1	$ 2,693
Loss on fair value changes	(2,693)
Balance on December 31	$ -

c. Unsecured domestic convertible bonds

As of September 12, 2019, Chilisin Electronics Corp., a subsidiary of the Company, issued the sixth unsecured convertible bonds of NT$2,000,000 thousand with a zero-coupon interest rate in Taiwan. The duration period is between September 12, 2019 and September 12, 2024. The Company has to repurchase all of its bonds in cash at face value. The corporate bonds may be converted into ordinary shares of the Company upon request from December 31, 2019 to September 11, 2024. The conversion price at the time of issuance was NT$94 per share.

The bonds will be held on the next day after the expiration of 3 months (December 13, 2019) until 40 days before the expiration of the issue period (August 3, 2024). If the closing price of the Company's ordinary stock exceeds the conversion price of the bond by 30% or more for 30 consecutive business days, the Company shall repurchase the bonds in cash within 30 business days and within 5 business days after the benchmark date of bond repurchase. The Company redeems the bondholder's convertible corporate bonds by cash.

As described in Note 1, Chilisin Electronics Corp. has terminated its listing on the date of share exchange, and in accordance with the relevant laws and regulations, the unsecured domestic convertible bonds also terminated trading on the same day. However, for convertible bonds that are still outstanding after the date of share exchange, the Group changes execution target of the unexecuted bonds to ordinary shares of the Company according to the share exchange ratio specified in the share exchange contract. As of September 12, 2024 (the maturity date of convertible bonds), the conversion price was NT$444.6 per share.

From January 1 to December 31, 2024, convertible bonds with a denomination of NT$5,000 thousand were converted into 11 thousand ordinary shares, and bonds with a denomination of NT$400 thousand were redeemed upon maturity.

Proceeds from issuance (less transaction costs of NT$5,000 thousand)	$ 2,015,000
Equity component (less transaction costs allocated to the equity component of NT$264 thousand)	(106,191)
Financial product component	(5,642)
Liability component at the date of issue (less transaction costs allocated to the liability component of NT$4,722 thousand)	1,903,167
Interest charged at an effective interest rate of 0.9975%	34,979
Convertible bonds redeemed	(128,620)
Convertible bonds converted into ordinary shares	(1,804,162)
Liability component on December 31, 2023	5,364
Interest charged at an effective interest rate of 0.9975%	11
Convertible bonds converted into ordinary shares	(4,975)
Convertible bonds redeemed	(400)
Liability component on December 31, 2024	$ -

The movements of derivative financial instruments were as follows: (Accounted for as financial assets (liabilities) at fair value through profit or loss)

	For the Year Ended December 31, 2024
Balance on January 1	$ 2
Loss on fair value changes	(2)
Balance on December 31	$ -

21. OTHER LIABILITIES

	December 31	
	2025	**2024**
Current		
Other payables		
Payables for salaries or bonuses	$ 5,119,013	$ 5,902,193
Payables for compensation of employees and remuneration of directors	2,815,924	2,009,646
Payables for purchases of equipment	838,131	1,065,126
Others	13,697,225	11,135,716
	22,470,293	20,112,681
Other payables - related party (Note 32)	45,102	6,997
	$ 22,515,395	$ 20,119,678

22. RETIREMENT BENEFIT PLANS

a. Defined contribution plan~~s~~

1) The Company and the subsidiaries which incorporated in the ROC adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the company makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

2) The other subsidiaries have defined contribution plans and make contributions based on a fixed rate of salaries and wages according to local regulations. The partial subsidiaries, which are holding companies, do not have pension plans since there is no employee.

b. Defined benefit plans

1) The defined benefit plans adopted by the Company and the subsidiaries which incorporated in the ROC in accordance with the Labor Standards Act is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. These Companies contribute retirement benefits at fixed percentage of total monthly salaries and wages to a pension fund administered by a pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

2) All the employees of partial subsidiaries have defined benefit plans. As of December 31, 2025 and 2024, the pension liabilities amounted to NT$2,846,024 thousand and NT$2,605,504 thousand, respectively, included in defined benefit liabilities.

The amounts included in the consolidated balance sheets in respect of the Company's defined benefit plans are as follows:

	December 31	
	2025	**2024**
Present value of defined benefit obligation	$ 423,180	$ 387,884
Fair value of plan assets	(389,747)	(215,701)
Net defined benefit liabilities	$ 33,433	$ 172,183

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liability
Balance on January 1, 2024	$ 360,856	$ (200,771)	$ 160,085
Service cost			
Current service cost	1,065	-	1,065
Net interest expense (income)	4,691	(2,660)	2,031
Recognized in profit or loss	5,756	(2,660)	3,096
Remeasurement			
Actuarial loss			
Changes in financial assumptions	4,834	-	4,834
Experience adjustments	30,037	(18,068)	11,969
Recognized in other comprehensive income	34,871	(18,068)	16,803
Contributions from the employer	-	(7,801)	(7,801)
Benefits paid	(13,599)	13,599	-
Balance on December 31, 2024	$ 387,884	$ (215,701)	$ 172,183
Balance on January 1, 2025	$ 387,884	$ (215,701)	$ 172,183
Service cost			
Current service cost	1,107	-	1,107
Net interest expense (income)	6,206	(3,514)	2,692
Recognized in profit or loss	7,313	(3,514)	3,799
Remeasurement			
Actuarial loss			
Changes in financial assumptions	8,792	-	8,792
Experience adjustments	36,227	(16,719)	19,508
Recognized in other comprehensive income	45,019	(16,719)	28,300
Contributions from the employer	-	(170,849)	(170,849)
Benefits paid	(17,036)	17,036	-
Balance on December 31, 2025	$ 423,180	$ (389,747)	$ 33,433

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	For the Year Ended December 31	
	2025	2024
Operating costs	$ 3,147	$ 2,752
Selling and marketing expenses	196	178
General and administrative expenses	316	39
Research and development expenses	140	127
	$ 3,799	$ 3,096

Through the defined benefit plans under the Labor Standards Act, the Group is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets shall not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government bond and corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated using the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations are as follows:

	December 31	
	2025	**2024**
Discount rates	1.3%	1.6%
Expected rates of salary increase	2.0%	2.0%

If possible reasonable changes in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31	
	2025	**2024**
Discount rates		
0.25% increase	$ (7,492)	$ (7,149)
0.25% decrease	$ 7,712	$ 7,365
Expected rates of salary increase		
0.25% increase	$ 7,459	$ 7,138
0.25% decrease	$ (7,283)	$ (6,963)

The above sensitivity analysis may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that changes in assumptions will occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2025	**2024**
Expected contributions to the plans for the next year	$ 170,849	$ 7,801
Average duration of the defined benefit obligation	8 years	8 years

23. EQUITY

a. Share capital

1) Ordinary shares

	December 31	
	2025	2024
Shares authorized (in thousands of shares)	16,000,000	4,000,000
Shares authorized	$ 40,000,000	$ 40,000,000
Shares issued and fully paid (in thousands of shares)	2,072,966	518,816
Shares issued and fully paid	$ 5,182,415	$ 5,188,164

In order to attract and retain needed professionals, incentivize employee enhance team cohesion among employee, the Company issued new employee restricted shares for its employees with 753 thousand shares on August 30, 2024. The aforementioned issuance of new employee restricted shares was approved by the Financial Supervisory Commission and the legal registration procedures have been completed.

On May 30, 2024, the shareholders resolved in their meeting to issue 83,851 thousand ordinary shares with a par value of NT$10 through the conversion of surplus into capital. The effective date of the capital increase was August 21, 2024. The legal registration procedures were completed on August 28, 2024.

On May 27, 2025, the Shareholder's meeting approved an amendment to the Company's Articles of Incorporation to change the par value per share from NT$10 to NT$2.5. The change in par value was approved by the Securities and Futures Bureau of the Financial Supervisory Commission on July 8, 2025, and the Board of Directors subsequently resolved to set August 22, 2025 as the record date for the reissuance of shares.

2) Global depositary receipts

The Company's global depositary receipts (GDRs) as of December 31, 2025 were as follows:

	GDRs (In Thousand Units)	Equivalent Ordinary Stock (In Thousand Shares)
Initial offering	5,000	25,000
Additional issuance after the initial offering	44,733	223,665
Net increase due to capital increase or capital reduction	81,558	407,791
Reissued within authorized units	57,240	286,201
Amount redeemed upon investors' request	(188,395)	(941,974)
Outstanding GDRs issued	136	683

The owners of GDRs have the same rights as holders of ordinary shares, except that the GDR owners should exercise, through a depositary trust company, the following beneficial interests subject to the terms of the depositary agreements and the relevant Taiwan laws and regulations:

a) Exercise voting rights;
b) Convert the GDRs into ordinary shares; and
c) Receive dividends and exercise preemptive rights or other rights and interests.

On April 14, 2020, the Company issued 12,680 thousand units (US$51.25 per unit) of GDRs on the Luxembourg Stock Exchange. Each unit represents 5 ordinary shares of the Company.

b. Capital surplus

	December 31	
	2025	**2024**
May be used to offset a deficit, distributed as cash dividends or transferred to share capital (1)		
Issuance of ordinary shares and bonds conversion	$ 47,290,118	$ 47,199,976
Treasury share transactions	43,197	24,035
May only be used to offset a deficit		
Share of changes in capital surplus of associates or subsidiaries (2)	150,796	147,346
May not be used for any purpose		
Employee restricted shares	383,979	468,372
	$ 47,868,090	$ 47,839,729

1) 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).

2) Such capital surplus arises from the effect of changes in ownership interests in subsidiaries resulted from equity transactions other than actual disposal or acquisition, or from changes in capital surplus of subsidiaries accounted for by using equity method.

c. Retained earnings and dividend policy

Under the Company's Articles of Incorporation (the "Articles"), when the Company has earnings for the year, the Company shall appropriate for remuneration of directors at 3% or less and for employees' bonus of at least 2% of the earnings. Then, the Company shall make payments for taxes and offset past years' deficit, if any. The remaining profit shall be distributed in the following order:

1) Legal reserve is appropriated at 10% of the remaining profit until the legal reserve equals the Company's paid-in capital.

2) Special reserve is appropriated or reversed in accordance with the laws and regulations.

3) Appropriations for dividends and bonuses, of at least 10% of the remaining profit after appropriations for legal reserve and special reserve, may be proposed by the Company's board of directors and approved at the shareholders' meeting. However, if the earnings distribution proposal is for the distribution of dividend and bonus in cash entirely or partially, it shall be resolved by the board of directors with the attendance of more-than-two-thirds of the directors and consent of the majority of attending directors; also it shall be reported in the shareholders' meeting.

The Company's dividend policy takes into account the Company's current and future competitiveness in the domestic and foreign markets, the investment environment and cash requirements. The policy authorizes the Company's board to propose an earnings distribution in the form of shares or in cash appropriately in accordance with the laws and regulations, with the board's proposal subject to approval at the shareholders' meeting. The Board of Directors approved that dividend distributed by cash may not be less than 50% of total dividend distributed unless the Board of Directors approved by resolution in view of the long-term business operation. For the policies on distribution of the compensation of employees and remuneration of directors and supervisors set forth in the Articles, refer to e. compensation of employees and remuneration of directors in Note 24 (e).

If the Company has no loss, the legal reserve and the Company's additional paid-in capital as stipulated in Paragraph 1, Article 241 of the Company Law can be distributed to the shareholders proportionally according to the resolution of the Board of Directors with the attendance of more than two-thirds of the directors and the consent of the majority of attending directors; also, it shall be reported in the shareholders meeting.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The 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 Company's earnings distribution or loss recovery can be completed at the end of each interim fiscal year. The Company before distributing the earnings of the first half of the fiscal year as stated in the preceding paragraph should estimate and retain the amount of tax payable, loss coverage, compensation of employees, and the provision of earnings reserved in advance. However, when the legal reserve equals to the amount of paid-in capital, it is not subject to this restriction.

The appropriations of earnings for 2024 and 2023 were as follows:

	2024	2023
Legal reserve	$ 1,938,216	$ 1,752,620
Special reserve	$ (415,328)	$ 258,600
Cash dividends	$ 10,284,390	$ 8,385,141
Shares dividends	$ -	$ 838,514
Cash dividends per share (NT$)	$ 20.00	$ 20.00
Shares dividends per share (NT$)	$ -	$ 2.00

The above 2024 and 2023 appropriations for cash dividends were resolved by the Company's board of directors on February 27, 2025 and February 29, 2024, respectively; the other proposed appropriations for 2024 and 2023 were resolved by the shareholders in the shareholders' meetings on May 27, 2025 and May 30, 2024, respectively.

The appropriation of earnings for 2025, which were proposed by the Company's board of directors on February 25, 2026, were as follows:

	For the Year Ended December 31, 2025
Legal reserve	$ 2,368,452
Special reserve	$ (16,596)
Cash dividends	$ 12,344,344
Cash dividends per share (NT$)	$ 6.00

The above appropriation for cash dividends has been resolved by the Company's board of directors; the other proposed appropriations will be resolved by the shareholders in their meeting to be held on May 27, 2026.

d. Other equity items

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

	For the Year Ended December 31	
	2025	2024
Balance on January 1	$ 9,687,841	$ 262,132
Recognized for the year		
Exchange differences on translation of the financial statements of foreign operations	(3,751,529)	9,386,919
Share from associates accounted for using the equity method	(52,594)	38,790
Balance on December 31	$ 5,883,718	$ 9,687,841

	Amount Before Tax	Related Income Tax	Amount After Tax
Balance on January 1, 2024	$ 132,139	$ 129,993	$ 262,132
Other comprehensive income (loss) recognized for the year	11,782,136	(2,356,427)	9,425,709
Balance on December 31, 2024	$ 11,914,275	$ (2,226,434)	$ 9,687,841
Balance on January 1, 2025	$ 11,914,275	$ (2,226,434)	$ 9,687,841
Other comprehensive income (loss) recognized for the year	(4,561,404)	757,281	(3,804,123)
Balance on December 31, 2025	$ 7,352,871	$ (1,469,153)	$ 5,883,718

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

	For the Year Ended December 31	
	2025	2024
Balance on January 1	$ 38,302	$ 140,335
Recognized for the year		
Unrealized (loss) gain - equity instruments	1,279	(96,461)
Share from associates accounted for using the equity method	16,903	(9,819)
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal	(19,525)	4,247
Balance on December 31	$ 36,959	$ 38,302

3) Gain (loss) on hedging instruments

	For the Year Ended December 31	
	2025	2024
Balance on January 1	$ (720,742)	$ 3,929
Recognized for the year		
Gain (loss) on changes in the fair value of hedging instruments	720,742	(724,671)
Balance on December 31	$ -	$ (720,742)

4) Unearned employee benefits

Please refer to Note 27 for information regarding the issuance of restricted employee shares by the Company.

	For the Year Ended December 31	
	2025	2024
Balance on January 1	$ (282,131)	$ (82,303)
Issuance of shares	-	(343,240)
Share-based payment expenses recognized	78,596	143,412
Balance on December 31	$ (203,535)	$ (282,131)

e. Non-controlling interests

	For the Year Ended December 31	
	2025	2024
Balance on January 1	$ 2,092,154	$ 1,986,653
Share of profit for the year	142,578	130,147
Other comprehensive income (loss) during the year		
Exchange difference on translation of the financial statements of foreign operations	14,312	5,834
Cash dividends distributed by subsidiaries	(19,918)	(32,096)
Acquisition of non-controlling interests in subsidiaries (Note 28)	890,379	-
Adjustments relating to changes in capital surplus of associates accounted for using the equity method	(776)	1,616
Balance on December 31	$ 3,118,729	$ 2,092,154

f. Treasury shares

Purpose of Buy-back	Shares Transferred to Employees (In Thousands of Shares)	Shares Cancelled (In Thousands of Shares)	Shares Held by Subsidiaries (In Thousands of Shares)	Total (In Thousands of Shares)
Number of shares on January 1, 2025	3,184	-	958	4,142
Increase during the year	9,551	-	2,875	12,426
Number of shares on December 31, 2025	12,735	-	3,833	16,568
Number of shares on January 1, 2024	3,184	-	802	3,986
Increase during the year	-	-	156	156
Number of shares on December 31, 2024	3,184	-	958	4,142

To boost employee morale, the Company's board resolved on May 13, 2021, to buy back up to 4,000 thousand ordinary shares with the buyback price ranging from NT$409.50 to NT$655.00 from May 17, 2021 to July 13, 2021 on the Taiwan Stock Exchange. As of June 10, 2021, the Company bought back 4,000 thousand shares at a total amount of $1,879,155 thousand. In 2022, the Company conducted a cash capital reduction, resulting in a decrease of 816 thousand treasury shares. The Company changed the par value of its shares to NT$2.5 per share in 2025, resulting in an increase of 9,551 thousand treasury shares.

As described in Note 1, Ko-Shin Investment Limited, the subsidiary of the Company, converted all the ordinary shares originally held in Chilisin Electronics Corp. into 1,008 thousand ordinary shares of the Company according to the share exchange agreement. In 2022, the Company conducted a cash capital reduction, resulting in a decrease of 206 thousand treasury shares. In 2024, the Company distributed share dividends, resulting in an increase of 156 thousand treasury shares. The Company changed the par value of its shares to NT$2.5 per share in 2025, resulting in an increase of 2,875 thousand treasury shares.

Related information regarding shares of the Company held by its subsidiaries on the balance sheet date was as follows:

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Carrying Amount	Market Price
December 31, 2025			
Ko-Shin Investment Limited	3,833	$ 535,053	$ 885,498
December 31, 2024			
Ko-Shin Investment Limited	958	535,053	518,457

The number of shares of the Company held by the subsidiaries listed in the table above was based on the number of shares actually held by the subsidiaries. The amount of the treasury shares recognized by the Company was calculated based on the Company's shareholding percentage of the subsidiaries.

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote. The subsidiaries holding treasury shares, however, are bestowed shareholders' rights, except the rights to participate in any share issuance for cash and to vote.

24. NET PROFIT FOR THE YEAR

a. Other gains and losses

	For the Year Ended December 31	
	2025	**2024**
Net foreign exchange gains (losses)	$ (742,018)	$ 321,852
Gain on disposal of subsidiaries and associates	100,496	313,884
Net loss on disposal of property, plant and equipment	(55,365)	(100,534)
Dividend income	53,811	55,346
Others	(448,191)	26,521
	$ (1,091,267)	$ 617,069

b. Finance costs

	For the Year Ended December 31	
	2025	**2024**
Interest on short-term bills	$ 1,361,999	$ 1,038,676
Interest on bank loans	1,150,280	1,392,627
Interest on convertible bonds	94,803	130,357
Other finance costs	261,718	264,111
	$ 2,868,800	$ 2,825,771

c. Depreciation and amortization

	For the Year Ended December 31	
	2025	**2024**
An analysis of depreciation by function		
Operating costs	$ 8,005,257	$ 7,451,892
Operating expenses	810,171	1,068,533
Other expenses	14,738	15,066
	$ 8,830,166	$ 8,535,491
An analysis of amortization by function		
Operating costs	$ 238,958	$ 214,679
Operating expenses	756,145	867,082
Other expenses	8,578	11,683
	$ 1,003,681	$ 1,093,444

d. Employee benefit expense

	For the Year Ended December 31	
	2025	2024
Post-employment benefits		
Defined contribution plan	$ 517,165	$ 431,435
Defined benefit plans (Note 22)	213,626	198,771
	730,791	630,206
Share-based payments - equity-settled	78,596	143,412
Other employee benefits	29,140,986	27,155,480
Total employee benefit expense	$ 29,950,373	$ 27,929,098
An analysis of employee benefit expense by function		
Operating costs	$ 20,106,702	$ 18,708,595
Operating expenses	9,843,671	9,220,503
	$ 29,950,373	$ 27,929,098

e. Compensation of employees and remuneration of directors

The Company accrued compensation of employees and remuneration of directors at rates of no less than 2% 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 shareholders of the Company resolved the amendments to the Company’s Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of 1% of net profit before income tax as compensation distributions for non-executive employees. The compensation of employees and remuneration of directors for the years ended December 31, 2025 and 2024, which were approved by the Company’s board of directors on February 25, 2026 and February 27, 2025, respectively, were as follows:

Accrual rate

	For the Year Ended December 31	
	2025	2024
Compensation of employees	3%	3%
Remuneration of directors	3%	3%

Amount

	For the Year Ended December 31			
	2025		2024	
	Cash	Shares	Cash	Shares
Compensation of employees	$ 760,133	$ -	$ 684,743	$ -
Remuneration of directors	760,133	-	684,743	-

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

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 years ended December 31, 2024 and 2023.

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.

f. Gains or losses on foreign currency exchange

	For the Year Ended December 31	
	2025	2024
Foreign exchange gains	$ 4,038,782	$ 3,677,169
Foreign exchange losses	(4,780,800)	(3,355,317)
	$ (742,018)	$ 321,852

25. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2025	2024
Current tax		
In respect of current year	$ 6,991,157	$ 5,207,911
Income tax on unappropriated earnings	378,744	314,566
Adjustments for prior years	(372,559)	(144,863)
	6,997,342	5,377,614
Deferred tax		
In respect of current year	437,909	2,048,264
Adjustments for prior years	(92,407)	(49,159)
	345,502	1,999,105
Income tax expense recognized in profit or loss	$ 7,342,844	$ 7,376,719

A reconciliation of accounting profit and income tax expense were as follows:

	For the Year Ended December 31	
	2025	2024
Profit before tax	$ 31,119,651	$ 26,863,350
Income tax expense calculated at the statutory rate	$ 6,223,930	$ 5,372,670
Unrecognized deductible temporary differences	472	2,679
Income tax on unappropriated earnings	378,744	314,566
Effect of different tax rates in the Group entities operating in other jurisdictions	1,204,664	1,880,826
Adjustments for prior years' tax	(464,966)	(194,022)
Income tax expense recognized in profit or loss	$ 7,342,844	$ 7,376,719

The subsidiaries of the Group located in other countries substantively enacted the Pillar Two income tax legislation had been in effect. As the legislation has been applied, the Group's current tax expense related to Pillar Two income taxes was as follows:

	For the Year Ended December 31	
	2025	2024
Current tax expense related to Pillar Two income taxes	$ 100,422	$ 79,095

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2025	2024
Deferred tax		
In respect of the current year		
Translation of foreign operations	$ (757,281)	$ 2,356,427
Remeasurement of defined benefit plans	(5,660)	(3,360)
Total income tax recognized in other comprehensive loss (income)	$ (762,941)	$ 2,353,067

c. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2025

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Acquisitions Through Business Combinations	Exchange Differences	Closing Balance
Deferred tax assets						
Temporary differences						
Impairment loss on property, plant and equipment	$ 160,525	$ (446)	$ -	$ -	$ -	$ 160,079
Inventory write-downs	102,411	30,343	-	-	-	132,754
Accrued expenses	791,177	(159,976)	-	-	-	631,201
Defined benefit obligation	28,945	(33,471)	5,660	-	-	1,134
Others	2,515,505	(394,720)	-	162,069	258,434	2,541,288
	3,598,563	(558,270)	5,660	162,069	258,434	3,466,456
Loss carryforwards	71,626	(2,870)	-	-	1,759	70,515
	$ 3,670,189	$ (561,140)	$ 5,660	$ 162,069	$ 260,193	$ 3,536,971
Deferred tax liabilities						
Temporary differences						
Investments accounted for using the equity method	$ 2,533,198	$ (777,829)	$ -	$ -	$ -	$ 1,755,369
Exchange difference on foreign operation	2,226,435	-	(757,281)	-	-	1,469,154
Others	5,684,623	562,192	-	43,705	(647,891)	5,642,629
	$ 10,444,256	$ (215,637)	$ (757,281)	$ 43,705	$ (647,891)	$ 8,867,152

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Acquisitions Through Business Combinations	Exchange Differences	Closing Balance
Deferred tax assets						
Temporary differences						
Impairment loss on property, plant and equipment	$ 162,564	$ (2,039)	$ -	$ -	$ -	$ 160,525
Inventory write-downs	73,382	29,029	-	-	-	102,411
Accrued expenses	837,472	(46,295)	-	-	-	791,177
Defined benefit obligation	26,525	(940)	3,360	-	-	28,945
Exchange difference on foreign operation	129,992	-	(129,992)	-	-	-
Others	2,219,379	163,105	-	-	133,021	2,515,505
	3,449,314	142,860	(126,632)	-	133,021	3,598,563
Loss carryforwards	86,181	(17,533)	-	-	2,978	71,626
	$ 3,535,495	$ 125,327	$ (126,632)	$ -	$ 135,999	$ 3,670,189
Deferred tax liabilities						
Temporary differences						
Investments accounted for using the equity method	$ 898,746	$ 1,634,452	$ -	$ -	$ -	$ 2,533,198
Exchange difference on foreign operation	-	-	2,226,435	-	-	2,226,435
Others	5,573,180	489,980	-	-	(378,537)	5,684,623
	$ 6,471,926	$ 2,124,432	$ 2,226,435	$ -	$ (378,537)	$ 10,444,256

d. Deductible temporary differences, unused loss carryforwards and unused investment credits for which no deferred tax assets have been recognized in the consolidated balance sheets

	December 31 2025	December 31 2024
Loss carryforwards	$ 938,770	$ 931,308
Investment credits	370,120	354,985
Deductible temporary differences	242,450	244,809
	$ 1,551,340	$ 1,531,102

e. Information on unused investment credits, unused loss carryforwards and tax exemptions

Loss carryforwards as of December 31, 2025 comprised:

	Unused Amount	Expiry Year
KEMET Electronics Corporation	$ 9,277,605	2026-2042
Novasentis, Inc.	1,658,776	2026-2039
KEMET Electronics Italia S.r.l.	1,035,693	No expiration
KEMET Corporation	893,936	2030-2042 (Note)
Pulse (Suzhou) Wirless Products Co., Ltd.	354,381	2026-2035
KEMET Electronics GmbH	96,326	No expiration
KEMET Electronics Limited	87,869	No expiration
CST Electronics Co., Ltd.	41,267	2037
KEMET Electronics AB	18,768	No expiration
Pulse Electronics Ltd.	12,750	2037
TOKIN America Inc.	6,099	No expiration
KEMET Electronics Asia Limited	2,798	No expiration
	$ 13,486,268	

Note: Loss carryforwards in some regions have no expiration date.

f. Income tax assessments

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

26. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Year Ended December 31	
	2025	2024
Basic earnings per share	$ 11.51	$ 9.53
Diluted earnings per share	$ 11.48	$ 9.41

The weighted average number of shares outstanding used for the earnings per share computation was adjusted retroactively for the changes in the number of shares resulting from the split of shares on August 22, 2025. The basic and diluted earnings per share adjusted retrospectively for the year ended December 31, 2024 were as follows:

Unit: NT$ Per Share

	Before Retrospective Adjustment	After Retrospective Adjustment
Basic earnings per share	$ 38.13	$ 9.53
Diluted earnings per share	$ 37.65	$ 9.41

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

Net Profit for the Year

	For the Year Ended December 31	
	2025	2024
Earnings used in the computation of basic earnings per share	$ 23,634,229	$ 19,356,484
Effect of potentially dilutive ordinary shares		
Interest on convertible bonds (after tax)	-	25,690
Net loss on financial instrument at fair value through profit or loss	-	2,695
Earnings used in the computation of diluted earnings per share	$ 23,634,229	$ 19,384,869

The weighted average number of ordinary shares outstanding (in thousands of shares) is as follows:

	For the Year Ended December 31	
	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	2,053,356	2,030,738
Effect of potentially dilutive ordinary shares:		
Convertible bonds	-	21,799
Employee restricted shares	939	1,129
Compensation of employees	4,024	5,852
Weighted average number of ordinary shares used in the computation of diluted earnings per share	2,058,319	2,059,518

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

27. SHARE-BASED PAYMENT ARRANGEMENTS

Employee Restricted Shares Plan

	Employee Restricted Shares Plan for	
	2024	2023
Shareholders' meeting resolution date	2024.05.30	2023.06.06
Board resolution date	2024.07.30	2023.07.25
Actual number of shares issued (in thousands)	753	1,038

The conditions of the aforementioned plan are as follows:

a. The restrictions on the rights of the employees who acquire the restricted shares but have not met the vesting conditions are as follows:

   1) An employee having been allocated New Restricted Employee Shares may not sell, pledge, transfer, donate, create encumbrance or make any other disposal of the said Shares before the terms and conditions for vesting the said Shares have been satisfied, except for inheritance.

   2) An employee having been allocated New Restricted Employee Shares shall not have the rights to attend, propose, speak, vote and stand as candidate in shareholders' meeting before the terms and conditions for vesting the said Shares have been satisfied.

   3) An employee having been allocated New Restricted Employee Shares are not entitled to dividends, bonus, surplus distribution and follow-on offering before the terms and conditions for vesting the said Shares have been satisfied.

4) In the case that the Company undergoes capital reduction or decreases its capital for reason other than mandatory capital reduction, the Company may write-off the New Restricted Employee Shares already allocated to employee but not yet vested, pro rata of the capital reduction percentage. In the case of capital reduction by cash refund, the cash refunded must be deposited in a trust fund until it may be released for distribution among eligible employee when the terms and conditions for vesting are satisfied, or repossessed by the Company when the terms and conditions for vesting are not satisfied.

5) During the period from the transfer suspension dates for stock grant, cash dividend, exercising employee stock options at cash capital increase, transfer suspension for shareholders' meeting as stipulated in Article 165-3 of the Company Act or other mandatory occurrence-based transfer suspension, to the reference date of ex-dividend, a black-out period may apply to vesting shares to employee who have satisfied the terms and conditions for vesting. The time and procedure concerning lifting the said black-out on the vested shares shall follow the trust custody agreement or applicable laws and regulations.

b. Employee fails to meet vesting condition

1) If an employee who has been previously allocated New Restricted Employee Shares but does not hold valid full-time employment status with the Company when the respective vested date is due; violates the employment contract, employee rules, non-competition clause, non-disclosure agreement or any agreement that employees may have agreed and/or entered with the Company; fails to achieve the performance goals prescribed by the Company or violates Article 5-9 of this Regulations concerning change, withdrawal, revocation, termination or cancellation of employees' proxy authorization granted to the Company, then the Company shall have the right to recall and write-off, without incurring any liability to the Company, the New Restricted Employee Shares that have been allocated but not yet vested to and that concern the relative performance evaluation period of the said employee.

2) The Company may recall and write-off, without incurring any liability to the Company, the New Restricted Employee Shares that have been allocated but not yet vested to any employee who departs voluntarily, are terminated with employment or are laid off.

c. Information on employee restricted shares was as follows:

Unit: In Thousands of Units

	Employee Restricted Shares Plan for	
	2024	**2023**
Balance on January 1, 2024	-	1,038
Shares granted	753	-
Shares cancelled	-	(378)
Balance on December 31, 2024	753	660
Balance on January 1, 2025	753	660
Shares cancelled	(575)	-
Shares vested	(120)	(8)
Balance on December 31, 2025	58	652
Weighted-average fair value of employee restricted shares granted ($)	$ 730.00	$ 461.50

Employee restricted shares granted were priced using the binomial option pricing model and the inputs to the model were as follows:

	Employee Restricted Shares Plan for	
	2024	**2023**
Grant-date share price	$730	$461.50
Expected volatility	26.06%-35.93%	42.29%-49.33%
Expected life (in years)	1-3	1-3
Risk-free interest rate	1.31%-1.46%	0.96%-1.02%

Refer to Note 24 for the employee compensation costs of the employee restricted shares recognized by the Company.

28. BUSINESS COMBINATIONS

a. Subsidiaries acquired

Subsidiary	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Shibaura Electronics Co., Ltd. (Shibaura)	Manufacturing and selling temperature sensor	October 27, 2025	87.30	$ 18,909,932

In order to increase core competitiveness and expand the scale of its business and product portfolio, the Group acquired Shibaura in October 2025.

b. Consideration transferred

	Shibaura
Cash	$ 18,909,932

c. Assets acquired and liabilities assumed at the date of acquisition

	Shibaura
Current assets	
Cash and cash equivalents	$ 2,214,231
Financial assets at amortized cost	77,579
Trade receivables and other receivables	1,432,087
Inventories	1,575,012
Other current assets	370,397
Non-current assets	
Financial assets at fair value through other comprehensive income	90,186
Property, plant and equipment	2,525,578
Intangible assets	15,928
Right-of-use assets	184,095
Deferred tax assets	162,069
Other non-current assets	203,761

(Continued)

	Shibaura
Current liabilities	
Trade payables and other payables	$ (1,342,848)
Lease liabilities - current	(27,238)
Current tax liabilities	(100,352)
Other current liabilities	(117,557)
Non-current liabilities	
Lease liabilities - non-current	(176,236)
Deferred tax liabilities	(43,705)
Other non-current liabilities	(32,130)
	$ 7,010,857

(Concluded)

The initial accounting for the acquisition of Shibaura was only provisionally determined at the end of the year. The tax bases of Shibaura's assets were required to be reset based on the market values of the assets. At the date of issuance of these consolidated financial statements, the necessary market valuations and other calculations have not been finalized, and they have, therefore, only been provisionally determined based on management's best estimate of the likely tax values.

d. Non-controlling interests

Shibaura measures the non-controlling interests at the share in the recognized amounts of the acquiree's identifiable net assets.

e. Goodwill recognized on acquisitions

	Shibaura
Consideration transferred	$ 18,909,932
Plus: Non-controlling interests	890,379
Less: Fair value of identifiable net assets acquired	(7,010,857)
Goodwill recognized on acquisitions	$ 12,789,454

The goodwill recognized in the acquisitions of Shibaura mainly represents the control premium included in the cost of the combinations. In addition, the consideration paid for the combinations effectively included amounts attributed to the benefits of expected synergies, revenue growth, future market development and the assembled workforces of Shibaura. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

f. Net cash outflow on the acquisition of subsidiaries

	Shibaura
Consideration paid in cash	$ 18,909,932
Less: Cash and cash equivalent balances acquired	(2,214,231)
For the year ended December 31, 2025	$ 16,695,701

g. Impact of acquisitions on the results of the Group

The financial results of the acquirees since the acquisition dates, which are included in the consolidated statements of comprehensive income, were as follows:

	Shibaura
Revenue	$ 1,181,117
Profit	$ 147,268

Had Shibaura concluded the acquisition at the beginning of 2025, the Group's revenue would have been NT$148,363,005 thousand, and the profit would have been NT$25,790,984 thousand for the year ended December 31, 2025. This pro-forma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the acquisition year, 2025, nor is it intended to be a projection of future results.

29. DISPOSAL OF SUBSIDIARIES

In January 2024, the Group entered into an agreement to dispose of TOKIN EMC Engineering Co., Ltd. ("TOKIN EMC"), which was engaged in electromagnetic compatibility (EMC) testing and related services. The disposal was completed on January 1, 2024, on which date control of TOKIN EMC was passed to the acquirer.

a. Consideration received from disposals

	TOKIN EMC
	For the Year Ended December 31, 2024
Cash and cash equivalents	$ 105,782

b. Analysis of assets and liabilities on the date control was lost

	TOKIN EMC
	For the Year Ended December 31, 2024
Current assets	
Cash and cash equivalents	$ 4,008
Trade receivables	17,144
Inventories	4,028
Other current assets	1,616

(Continued)

	TOKIN EMC For the Year Ended December 31, 2024
Non-current assets	
Property, plant and equipment	$ 46,069
Intangible assets	1,248
Right-of-use assets	12,633
Other non-current assets	30,848
Current liabilities	(22,448)
Non-current liabilities	(23,486)
Net assets disposed of	$ 71,660

(Concluded)

c. Gain on disposal of subsidiaries

	TOKIN EMC For the Year Ended December 31, 2024
Consideration received	$ 105,782
Net assets disposed of	(71,660)
Gain on disposal	$ 34,122

d. Net cash inflow on disposal of subsidiary

	TOKIN EMC For the Year Ended December 31, 2024
Consideration received in cash and cash equivalents	$ 105,782
Plus: Cash and cash equivalent balance disposed of	(4,008)
	$ 101,774

30. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance. The Group’s overall strategy in accordance with the Company operations and cash flow to assess the situation and to be properly adjusted to adapt to changes in the market in a timely manner.

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

Key management personnel of the Group review the capital structure on an annual basis. As part of this review, the key management personnel consider the cost of capital and the risks 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 the amount of new debt issued or existing debt redeemed.

31. FINANCIAL INSTRUMENTS

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

1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 333,770	$ -	$ 333,770
Listed shares	110,540	-	-	110,540
Unlisted shares	-	-	34,701	34,701
Private funds	-	-	337,699	337,699
Structured notes	-	115,109	-	115,109
Structured deposits	-	-	763,271	763,271
	$ 110,540	$ 448,879	$ 1,135,671	$ 1,695,090
Financial assets at FVTOCI				
Investments in equity instruments				
Listed shares	$ 1,682,915	$ -	$ -	$ 1,682,915
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 62,327	$ -	$ 62,327

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 65,893	$ -	$ 65,893
Listed shares	78,328	-	-	78,328
Unlisted shares	-	-	46,701	46,701
Private funds	-	-	382,343	382,343
Structured notes	-	155,884	-	155,884
Structured deposits	-	-	1,547,285	1,547,285
	$ 78,328	$ 221,777	$ 1,976,329	$ 2,276,434

(Continued)

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Listed shares	$ 1,547,620	$ -	$ -	$ 1,547,620
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 4,281	$ -	$ 4,281
Financial assets for hedging				
Cash flow hedges				
Cross-currency swap contracts	$ -	$ 317,773	$ -	$ 317,773
Financial liabilities for hedging				
Cash flow hedges				
Foreign exchange forward contracts	$ -	$ 359,523	$ -	$ 359,523
Cross-currency swap contracts	-	328,543	-	328,543
	$ -	$ 688,066	$ -	$ 688,066

(Concluded)

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

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the year ended December 31, 2025

	FVTPL
	Equity Instruments, Derivative and Other Financial Instruments
Financial assets	
Balance on January 1, 2025	$ 1,976,329
Recognized in profit or loss	49,091
Purchases	1,946,804
Sales	(2,804,709)
Effects of foreign currency exchange differences	(31,844)
Balance on December 31, 2025	$ 1,135,671

For the year ended December 31, 2024

	FVTPL
	Equity Instruments, Derivative and Other Financial Instruments
Financial assets	
Balance on January 1, 2024	$ 2,741,085
Recognized in profit or loss	8,452
Purchases	7,869,229
Sales	(8,725,251)
Effects of foreign currency exchange differences	82,814
Balance on December 31, 2024	$ 1,976,329

3) Valuation techniques and inputs used for Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Derivatives - foreign exchange forward contracts and swap contracts	Discounted cash flow. Future cash flows are estimated on the basis of observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
Derivatives - cross-currency swap contracts	Use the evaluation information provided by the banks and evaluate using the discounted cash flow method, future cash flows are estimated on the basis of observable forward exchange rates and contract interest rates at the end of the reporting period, discounted at a rate that reflects the credit risk of various banks.
Structured notes and structured deposits	Use the valuation technique or the quoted market price of its competitors.

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

a) The fair values of unlisted equity securities were determined using the income approach. In this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees. An increase in long-term revenue growth rates or long-term pre-tax operating margin or a decrease in WACC or discount for the lack of marketability used in isolation would result in increases in fair value.

b) The foreign private funds held by the Group were valued using the asset-based approach and were based on the net asset value measured at fair value and the investment agreement.

c) The structured deposits were valued using the future cash flows.

b. Categories of financial instruments

	December 31	
	2025	2024
Financial assets		
FVTPL		
Mandatorily classified as at FVTPL	$ 1,695,090	$ 2,276,434
Financial assets for hedging	-	317,773
Financial assets at amortized cost (1)	155,521,655	151,978,416
Financial assets at FVTOCI		
Equity instruments	1,682,915	1,547,620
Financial liabilities		
FVTPL		
Mandatorily classified as at FVTPL	62,327	4,281
Financial liabilities for hedging	-	688,066
Amortized cost (2)	189,077,856	176,500,424

1) The balances included financial assets at amortized cost, which comprise cash and cash equivalents, debt investments, notes receivable, trade receivables (including related parties), other receivables (including related parties) and refundable deposits.

2) The balances included financial liabilities at amortized cost, which comprise short-term borrowings, short-term bills payable, notes payable, trade payables (including related parties), other payables (including related parties), current portion of long-term borrowings and bonds payable, bonds payable, long-term borrowings and guarantee deposits received.

c. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, trade receivables, trade payables, bonds payable and borrowings. 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 that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

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

The Group's impartment financial activities are reviewed by the board of directors in accordance with related standard and internal controls. In executing financial plan, the Group have to obey the related financial operating procedures regarding financial risk management and segregation of duties.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Group entered into foreign exchange forward contracts, swap contract and cross-currency swap contracts to manage its exposure to foreign currency risk.

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

a) Foreign currency risk

The Group had foreign currency denominated sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing forward foreign exchange contracts, swap contracts and cross-currency swap contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposing to foreign currency risk at the end of the reporting period are set out in Note 36.

Sensitivity analysis

The Group assessed the foreign currency risk of its significant assets and liabilities as well as taking unexpired foreign exchange forward contracts, swap contracts and cross-currency swap contracts into consideration.

The Group was mainly exposed to the US$, EUR, RMB and JPY.

The following table details the Group's sensitivity to a 1% increase and decrease in New Taiwan dollars (the functional currency) against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items and foreign exchange forward contracts designated as cash flow hedges, and their adjusted translation at the end of the year for a 1% change in foreign currency rates. A negative number below indicates a decrease in pre-tax profit associated with New Taiwan dollars strengthening 1% against the relevant currency. For a 1% weakening of New Taiwan dollars against the relevant currency, there would be an equal and opposite impact on pre-tax profit and the balances below would be positive.

	For the Year Ended December 31	
	2025	**2024**
Profit or loss		
USD impact	$ (220,174)	$ (371,077)
EUR impact	(80,449)	(52,333)
RMB impact	(9,475)	(11,747)
JPY impact	21,843	(23,178)
	$ (288,255)	$ (458,335)

The analysis of profit or loss of the table was mainly attributable to the exposure to outstanding US$-denominated, EUR-denominated, RMB-denominated and JPY-denominated receivables and payables which were not hedged, at the end of the reporting period.

The Group's sensitivity to foreign currency exchange decreased during the current year mainly due to the decreased in the US$-denominated and RMB-denominated net assets.

b) Interest rate risk

The Group was exposed to interest rate risk because entities in 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.

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

	December 31	
	2025	**2024**
Fair value interest rate risk		
Financial assets	$ 69,286,031	$ 78,269,469
Financial liabilities	94,767,489	88,444,689
Cash flow interest rate risk		
Financial assets	55,259,022	48,265,275
Financial liabilities	56,126,112	54,981,539

The Group's fixed-term time deposits, bank borrowings, short-term bills and bonds payable are exposed to fair value interest rate risk; however, this expected risk is insignificant.

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the year. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the year was outstanding for the whole year. A 1% increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher and all other variables were held constant, the Group's variable-rate financial assets for the years ended December 31, 2025 and 2024 would have resulted in cash outflows of NT$8,761 thousand and NT$67,163 thousand, respectively.

The Group's sensitivity to interest rates decreased during the current year mainly due to the decreased in variable-rate financial assets from the current year.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities.

Sensitivity analysis

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

If equity prices had been 1% lower, the pre-tax profit for the years ended December 31, 2025 and 2024 would have decreased by NT$4,829 thousand and NT$5,074 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL. If equity prices had been 1% lower, the comprehensive income for the years ended December 31, 2025 and 2024 would have decreased by NT$16,829 thousand and NT$15,476 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

The Group's sensitivity to investments in equity securities is insignificant.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. At the end of the year, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to failure of counterparties to discharge an obligation and financial guarantees provided by the Group, could be equal to the total of the following:

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

b) The amount of contingent liabilities in relation to financial guarantee issued by the Group.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group 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 the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

In order to minimize credit risk, 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 allowances are made for irrecoverable amounts. In this regard, management believes the Group's credit risk was significantly reduced.

The credit risk on liquid funds and derivatives was limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Ongoing credit evaluation is performed on the financial condition of trade receivables.

The Group did transactions with a large number of unrelated customers and, thus, no concentration of credit risk was observed.

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. As of December 31, 2025 and 2024, the Group had available unutilized short-term bank loan facilities of NT$57,835,000 thousand and NT$71,457,000 thousand, respectively.

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

The table below summarizes the maturity profile of the Group's financial liabilities based on undiscounted contractual payments but did not include the financial liabilities with carrying amounts that approximated contractual cash flows:

	Carrying Amount	Contractual Cash Flows	Within 1 Year	More than 1 Year
December 31, 2025				
Short-term borrowings	$ 8,568,759	$ 8,658,259	$ 8,658,259	$ -
Short-term bills payable	67,779,222	67,950,000	67,950,000	-
Long-term borrowings	58,438,276	58,782,903	2,050,549	56,732,354
Bonds payable	13,497,730	13,558,188	9,058,188	4,500,000
	$ 148,283,987	$ 148,949,350	$ 87,716,996	$ 61,232,354
December 31, 2024				
Short-term borrowings	$ 15,804,004	$ 15,950,238	$ 15,950,238	$ -
Short-term bills payable	52,930,987	53,100,000	53,100,000	-
Long-term borrowings	58,981,539	59,830,350	3,636,669	56,193,681
Bonds payable	13,494,177	13,650,567	91,250	13,559,317
	$ 141,210,707	$ 142,531,155	$ 72,778,157	$ 69,752,998

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

The following table detailed the Group's liquidity analysis for its derivative financial instruments. The table was based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves at the end of the year.

December 31, 2025

	On Demand or Less than 3 Months	3 Months to 6 Months	Over 6 Months to 12 Months	1 Year to 5 Years
Gross settled				
Foreign exchange forward contracts				
Inflows	$ 6,279,959	$ 2,032,882	$ 1,551,125	$ -
Outflows	(6,245,305)	(1,939,513)	(1,571,900)	-
	$ 34,654	$ 93,369	$ (20,775)	$ -
Swap contracts				
Inflows	$ 1,383,272	$ 1,804,610	$ 1,571,900	$ -
Outflows	(1,368,534)	(1,804,610)	(1,530,100)	-
	$ 14,738	$ -	$ 41,800	$ -

(Continued)

	On Demand or Less than 3 Months	3 Months to 6 Months	Over 6 Months to 12 Months	1 Year to 5 Years
Cross-currency swap contracts				
Inflows	$ -	$ -	$ 4,401,320	$ -
Outflows	-	-	(4,280,488)	-
	$ -	$ -	$ 120,832	$ -

(Concluded)

December 31, 2024

	On Demand or Less than 3 Months	3 Months to 6 Months	Over 6 Months to 12 Months	1 Year to 5 Years
Gross settled				
Foreign exchange forward contracts				
Inflows	$ 3,506,296	$ 710,818	$ 658,807	$ -
Outflows	(3,590,351)	(824,638)	(740,426)	-
	$ (84,055)	$ (113,820)	$ (81,619)	$ -
Swap contracts				
Inflows	$ 1,802,955	$ -	$ -	$ -
Outflows	(1,777,528)	-	-	-
	$ 25,427	$ -	$ -	$ -
Cross-currency swap contracts				
Inflows	$ -	$ -	$ 1,311,240	$ -
Outflows	-	-	(1,298,800)	-
	$ -	$ -	$ 12,440	$ -
Net settled				
Cross-currency swap contracts				
Inflows	$ -	$ -	$ 7,198,238	$ -
Outflows	-	-	(7,198,238)	-
	$ -	$ -	$ -	$ -

32. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated upon consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed as follows.

a. Related party name and category:

Related Party Name	Related Party Category
Kaimei Electronic Corp.	Associate
KEMET Jianghai Electronics Components Co., Ltd.	Associate
NT Sales Co., Ltd.	Associate
Yuanling Country Xianghua Electronic Technology Co., Ltd. (Xianghua)	Associate
Ruiyi Technology (Hong Kong) Share Co., Limited	Associate
Shenzhen Ruiyi Electronics Co., Ltd.	Associate
Advanced Power Electronics Co., Ltd.	Associate
uPI Semiconductor Corp.	Associate
Teapo Electronics (H.K.) Ltd.	Subsidiary of associate
Teapo Electronics (Dongguan) Co., Ltd.	Subsidiary of associate
Ralec Electronic Corporation	Subsidiary of associate
Ralec Technology (Kunshan) Limited	Subsidiary of associate
ASJ Components (M) Sdn. Bhd.	Subsidiary of associate
Suzhou Kaimei Electronic Co., Ltd.	Subsidiary of associate
NT Sales Hong Kong Ltd.	Subsidiary of associate
uPI Semiconductor (Shenzhen) Co., Ltd.	Subsidiary of associate
Hsin Bung International Co., Ltd.	Substantial related party
Yixin International Co., Ltd.	Substantial related party
Suzhou Xingguo Electronics Co., Ltd.	Substantial related party
Yageo Professional Competition Development Association	Substantial related party
Yageo Foundation	Substantial related party
Tong Hsing Electronic Industries, Ltd.	Substantial related party

b. Sales of goods

		For the Year Ended December 31	
Line Item	**Related Party Category**	**2025**	**2024**
Sales	Associate	$ 3,108,852	$ 2,558,292
	Substantial related party	297,776	222,475
		$ 3,406,628	$ 2,780,767

c. Purchases of goods

	For the Year Ended December 31	
Related Party Category	**2025**	**2024**
Associate	$ 995,606	$ 1,251,362
Substantial related party	1,020,071	741,203
	$ 2,015,677	$ 1,992,565

d. Receivables from related parties

Line Item	Related Party Category	December 31 2025	December 31 2024
Trade receivables	Associate	$ 409,486	$ 449,333
	Substantial related party	126,094	87,129
		$ 535,580	$ 536,462
Other receivables	Associate	$ 2,477	$ 4,863
	Substantial related party	-	1,497
		$ 2,477	$ 6,360

The outstanding trade receivables from related parties are unsecured. For the years ended December 31, 2025 and 2024, no impairment loss was recognized for trade receivables from related parties.

e. Payables to related parties

Line Item	Related Party Category	December 31 2025	December 31 2024
Trade payables	Associate	$ 329,559	$ 506,662
	Substantial related party	318,141	213,647
		$ 647,700	$ 720,309
Other payables	Substantial related party	$ 45,000	$ -
	Associate	102	6,997
		$ 45,102	$ 6,997

The outstanding trade payables from related parties are unsecured.

The payment terms for the trade receivables from (trade payables to) related parties were based on the terms of the related contracts. Other related party transactions were conducted under normal terms.

f. Acquisition of property, plant and equipment

Related Party Category	Purchase Price For the Year Ended December 31 2025	Purchase Price For the Year Ended December 31 2024
Associate	$ 259	$ 5,790

g. Lease arrangements - Group is lessor

The Group leases out land and plant to its associate and subsidiaries under operating leases.

Lease income was as follows:

Related Party Category/Name	For the Year Ended December 31 2025	2024
Associates	$ 35,827	$ 34,387
Substantial related party	893	766
	$ 36,720	$ 35,153

All the terms and conditions of above rental contracts conformed to normal business practice.

h. Acquisition of other assets

Line Item	Related Party Category	For the Year Ended December 31 2025	2024
Electrolytic capacitor business division	Associates	$ -	$ 275,825

i. Disposal of other assets

Related Party Category	Line Items	Proceeds For the Year Ended December 31 2025	2024	Gain (Loss) on Disposal For the Year Ended December 31 2025	2024
Associates	Intangible assets	$ 1,100	$ -	$ 1,100	$ -

j. Other transactions with related parties

Line Item	Related Party Category	For the Year Ended December 31 2025	2024
Other incomes	Associates	$ 9,960	$ 4,454
Commission incomes	Substantial related party	$ 5,490	$ 4,812
Other expenses	Substantial related party	$ 77,033	$ 70,000

k. Remuneration of key management personnel

	For the Year Ended December 31 2025	2024
Short-term employee benefits	$ 1,098,177	$ 970,905
Share-based payments	11,783	23,370
Post-employment benefits	1,076	969
	$ 1,111,036	$ 995,244

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

33. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	December 31	
	2025	2024
Property, plant and equipment, net	$ 341,917	$ 552,581

34. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and unrecognized commitments of the Group as of December 31, 2025 and 2024, were as follows:

a. Significant unrecognized commitments

Unrecognized commitments were as follows:

	December 31	
	2025	2024
Acquisition of property, plant and equipment	$ 4,328,996	$ 3,940,735
Disposal of property, plant and equipment	$ 1,822,260	$ 1,904,943

b. Contingencies

Contingent liabilities

1) Refer to Table 2 about the endorsements/guarantees and between the company and subsidiaries.

2) CYNTEC Co., Ltd., the subsidiary of Delta Electronics, Inc., filed a patent infringement lawsuit against the Chilisin Electronics Corp. in the United States District Court for the Northern District of California in 2018. In May 2022, the U.S. District Court announced a verdict that Chilisin Electronics Corp. should pay US$5,553 thousands in damages. Chilisin Electronics Corp. has filed an appeal on May 31, 2022. Appeal Hearing took place in June 2023. The court adjudged the infringement in October 2023, and the damages was remanded. As of December 31, 2025, the Group has recognized related liabilities.

35. SIGNIFICANT EVENTS AFTER REPORTING PERIOD

In January 2026, the Group acquired the remaining equity interest in Shibaura Electronics Co., Ltd. for a purchase consideration of JPY13.7 billion. In connection with this transaction, Shibaura Electronics Co., Ltd. was delisted from the Tokyo Stock Exchange.

Upon completion of the transaction, the Group will hold a 100% equity interest in Shibaura Electronics Co., Ltd., with the closing expected to be completed in the first quarter.

36. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between foreign currencies and respective functional currencies were as follows:

December 31, 2025

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 373,334	6.9870 (USD:RMB)	$ 11,736,877
USD	265,285	31.4380 (USD:NTD)	8,340,030
USD	189,251	7.7832 (USD:HKD)	5,949,654
USD	187,552	0.8527 (USD:EUR)	5,896,536
USD	108,921	156.5700 (USD:JPY)	3,424,395
USD	1,923	89.8875 (USD:INR)	60,447
USD	829	31.5380 (USD:THB)	26,061
USD	514	20.6340 (USD:CZK)	16,159
EUR	162,355	1.1728 (EUR:USD)	5,986,108
EUR	62,014	36.8705 (EUR:NTD)	2,286,487
EUR	3,485	24.1996 (EUR:CZK)	128,494
EUR	950	8.1944 (EUR:RMB)	35,027
EUR	603	9.1281 (EUR:HKD)	22,233
EUR	319	1.9498 (EUR:BGN)	11,762
RMB	341,531	0.1431 (RMB:USD)	1,536,472
RMB	242,684	4.4995 (RMB:NTD)	1,091,957
JPY	3,995,232	0.2008 (JPY:NTD)	802,243
JPY	581,000	0.2014 (JPY:THB)	116,639
JPY	234,094	0.0446 (JPY:RMB)	46,977
JPY	94,821	9.2138 (JPY:KRW)	19,046
JPY	92,021	0.0064 (JPY:USD)	18,515
			$ 47,552,119
Non-monetary items			
Investments accounted for using equity method			
JPY	616,441	0.0064 (JPY:USD)	$ 124,030
USD	15,317	31.438 (USD:NTD)	481,529
HKD	57,567	0.1285 (HKD:USD)	232,560
RMB	16,635	0.1431 (RMB:USD)	74,835
			$ 912,954

(Continued)

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
Financial liabilities			
Monetary items			
USD	$ 274,047	31.4380 (USD:NTD)	$ 8,615,490
USD	145,324	6.9870 (USD:RMB)	4,568,697
USD	3,396	156.5700 (USD:JPY)	106,768
USD	2,587	0.8527 (USD:EUR)	81,334
USD	973	1.6625 (USD:BGN)	30,589
USD	950	31.5380 (USD:THB)	29,865
EUR	9,063	24.1996 (EUR:CZK)	334,157
EUR	1,936	1.9498 (EUR:BGN)	71,382
EUR	533	61.1263 (EUR:MKD)	19,652
RMB	373,638	0.1431 (RMB:USD)	1,680,914
JPY	13,266,508	0.2008 (JPY:NTD)	2,663,915
JPY	1,401,773	0.0446 (JPY:RMB)	281,305
JPY	913,881	0.0064 (JPY:USD)	183,876
JPY	292,139	0.2014 (JPY:THB)	58,649
			$ 18,726,593

(Concluded)

December 31, 2024

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 494,441	32.781 (USD:NTD)	$ 16,208,270
USD	360,417	0.9609 (USD:EUR)	11,814,936
USD	299,118	7.2993 (USD:RMB)	9,805,434
USD	188,662	7.7647 (USD:HKD)	6,184,531
USD	87,562	156.17 (USD:JPY)	2,870,290
USD	5,331	34.235 (USD:THB)	174,750
USD	3,251	24.168 (USD:CZK)	106,573
USD	1,050	58.87 (USD:MKD)	34,418
USD	596	85.571 (USD:INR)	19,538
EUR	143,729	1.0407 (EUR:USD)	4,903,342
EUR	16,963	34.1152 (EUR:NTD)	578,696
EUR	838	7.5964 (EUR:RMB)	28,589
EUR	606	8.0807 (EUR:HKD)	20,674
EUR	508	1.9553 (EUR:BGN)	17,331
RMB	374,117	0.137 (RMB:USD)	1,680,158
RMB	71,696	4.491 (RMB:NTD)	321,987
JPY	14,363,005	0.2099 (JPY:NTD)	3,014,795
			$ 57,784,312

(Continued)

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
Non-monetary items			
Investments accounted for using equity method			
JPY	$ 583,031	0.0064 (JPY:USD)	$ 122,319
USD	14,848	32.781 (USD:NTD)	486,746
HKD	49,504	0.1288 (HKD:USD)	209,014
RMB	15,466	0.137 (RMB:USD)	69,457
			$ 887,536
Financial liabilities			
Monetary items			
USD	189,533	32.781 (USD:NTD)	$ 6,213,081
USD	114,346	7.2993 (USD:RMB)	3,748,394
USD	3,256	156.17 (USD:JPY)	106,732
USD	537	34.235 (USD:THB)	17,603
USD	769	1.8788 (USD:BGN)	25,209
EUR	5,736	25.1516 (EUR:CZK)	195,687
EUR	2,444	1.9553 (EUR:BGN)	83,379
EUR	1,062	61.266 (EUR:MKD)	36,228
RMB	184,253	0.137 (RMB:USD)	827,480
JPY	1,735,279	0.2099 (JPY:NTD)	364,235
JPY	1,008,628	0.0467 (JPY:RMB)	211,539
JPY	372,685	0.0064 (JPY:USD)	78,189
JPY	205,163	0.2192 (JPY:THB)	43,060
			$ 11,950,816

(Concluded)

For the years ended December 31, 2025 and 2024, realized and unrealized net foreign exchange gains (losses) were $(742,018) thousand and $321,852 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 entities in the Group.

37. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

1) Financing provided to others. (Table 1)

2) Endorsements/guarantees provided. (Table 2)

3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint controlled entities). (Table 3)

4) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital. (Table 4)

5) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital. (Table 5)

6) Intercompany relationships and significant intercompany transactions. (Table 8)

b. Information on investees. (Table 6)

c. 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 year, 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 party, and their prices, payment terms, and unrealized gains or losses:

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year. (Table 4)

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year. (Table 4)

c) The amount of property transactions and the amount of the resultant gains or losses. (Eliminated from the consolidated financial statements)

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes. (Table 2)

e) The highest balance, the ending balance, the interest rate range, and total current year interest with respect to the financing of funds. (Table 1)

f) 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 receiving of services. (None)

38. SEGMENT INFORMATION

a. Basic information

Information reported to the chief operating decision maker for resource allocation and the assessment of segment performance is solely based on the financial information of each plant owned by the Group. Each plant has similar economic features as well as manufacturing procedures. In addition, products are sold by the Group in a centralized way. Thus, the Group is reported as a single segment. The Group's revenues and operating results in 2025 and 2024 are shown in the consolidated statements of comprehensive income for 2025 and 2024.

b. Revenue from major products

The following is an analysis of the Group's revenue from its major products.

	For the Year Ended December 31	
	2025	2024
Magnetics	$ 35,665,000	$ 35,537,152
Tantalum	29,544,092	22,268,102
Capacitors	24,923,567	23,217,622
Resistors	18,799,444	17,230,581
Sensors	12,618,066	11,991,919
Others	11,379,847	11,421,953
	$ 132,930,016	$ 121,667,329

c. Geographical information

The Group's revenue from external customers by location of operations and information on its non-current assets by location of assets are detailed below:

	Revenue from External Customers		Non-current Assets	
	Year Ended December 31		December 31	
	2025	2024	2025	2024
USA	$ 39,147,019	$ 32,196,851	$ 62,525,405	$ 64,993,024
China	34,229,829	30,407,463	68,805,404	72,684,571
Europe	28,196,069	24,218,112	27,435,458	25,446,722
Asia	31,357,099	34,844,903	17,937,594	2,203,181
	$ 132,930,016	$ 121,667,329	$ 176,703,861	$ 165,327,498

Non-current assets exclude financial instruments, deferred tax assets and post-employment benefit assets.

d. Information on major customers

No other single customers contributed 10% or more to the Group's revenue for both 2025 and 2024.

TABLE 1

YAGEO CORPORATION AND SUBSIDIARIES

FINANCINGS PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2025
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Financing Company	Counterparty	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Interest Rate	Nature for Financing (Note 3)	Transaction Amounts	Reason for Financing	Allowance for Impairment Loss	Collateral		Financing Limits for Each Borrowing Company (Note 1)	Financing Company's Total Financing Amount Limits (Note 2)
													Item	Value		
0	Yageo Corporation	Kuo-Shin Investment Limited	Receivables from related parties	Yes	$ 3,000,000	$ 2,900,000	$ 270,000	1.93%	b	$ -	For revolving fund	$ -	None	$ -	$ 68,351,129	$ 68,351,129
		YAGEO Electronics Japan LLC	Receivables from related parties	Yes	9,036,000	9,036,000	8,848,453	1.3%	b	-	For revolving fund	-	None	-	68,351,129	68,351,129
1	Yageo Holding (Bermuda) Ltd.	Yageo Europe Holding B.V.	Loans to subsidiaries considered as a component of investment	Yes	6,376,959	6,376,959	6,376,959	-	b	-	For revolving fund	-	None	-	60,164,064	60,164,064
		Yageo Electronics Holding (S) PTE. LTD.	Receivables from related parties	Yes	12,575,200	6,193,286	2,420,726	-	b	-	For revolving fund	-	None	-	60,164,064	60,164,064
		Yageo Corporation	Receivables from related parties	Yes	15,719,000	15,719,000	12,575,200	-	b	-	For revolving fund	-	None	-	60,164,064	60,164,064
		Yageo Asia Electronics PTE. LTD.	Receivables from related parties	Yes	22,006,600	22,006,600	15,090,240	-	b	-	For revolving fund	-	None	-	60,164,064	60,164,064
		Yageo USA (H.K.) Limited	Receivables from related parties	Yes	6,230,458	6,230,458	6,230,458	-	b	-	For revolving fund	-	None	-	60,164,064	60,164,064
2	Vitrohm Holding GmbH	Yageo Holding (Bermuda) Ltd.	Receivables from related parties	Yes	294,964	294,964	294,964	4.362%	b	-	For revolving fund	-	None	-	487,391	487,391
3	Yageo Electronics (Dongguan) Co., Ltd.	Bestbright Electronics Co., Ltd.	Receivables from related parties	Yes	382,458	382,458	269,970	2.5%	b	-	For revolving fund	-	None	-	3,231,595	3,231,595
4	Yageo (Suzhou) Trade Co., Ltd.	Yageo Electronics (China) Co., Ltd.	Receivables from related parties	Yes	539,940	539,940	-	2%	b	-	For revolving fund	-	None	-	1,119,246	1,119,246
5	Yageo Electronics (China) Co., Ltd.	Yageo (Suzhou) Trade Co., Ltd.	Receivables from related parties	Yes	1,799,800	1,799,800	-	2%	b	-	For revolving fund	-	None	-	13,615,838	13,615,838
		Yageo (ShenZhen) Modern Logistics Co., Ltd.	Receivables from related parties	Yes	449,950	449,950	89,990	2%	b	-	For revolving fund	-	None	-	13,615,838	13,615,838
6	Yageo Europe Holding B.V.	YAGEO Nexensos GmbH	Receivables from related parties	Yes	1,087,680	1,087,680	497,752	5.202%	b	-	For revolving fund	-	None	-	36,285,181	36,285,181
		YAGEO ELECTRONICS INVESTMENT (S) PTE. LTD.	Receivables from related parties	Yes	261,995	-	-	-	b	-	For revolving fund	-	None	-	36,285,181	36,285,181
7	Pulse Components. Ltd.	Pulse Electronics (Singapore) Pte. Ltd	Receivables from related parties	Yes	565,884	565,884	565,884	-	a	567,753	-	-	None	-	567,753	567,753
8	Pulse Electronics (Singapore) Pte. Ltd	Yageo Corporation	Receivables from related parties	Yes	3,143,800	3,143,800	3,143,800	5.73%	b	-	For revolving fund	-	None	-	13,237,379	13,237,379
		Pulse India	Receivables from related parties	Yes	166,621	166,621	166,621	3.8%	b	-	For revolving fund	-	None	-	13,237,379	13,237,379
		Yageo Holding (Bermuda) Ltd.	Receivables from related parties	Yes	3,143,800	-	-	-	b	-	For revolving fund	-	None	-	13,237,379	13,237,379
9	TOKIN Corporation	KEMET Corporation	Receivables from related parties	Yes	3,313,200	-	-	-	b	-	For revolving fund	-	None	-	17,208,190	17,208,190
		TOKIN Korea Co., Ltd	Receivables from related parties	Yes	20,080	-	-	-	b	-	For revolving fund	-	None	-	17,208,190	17,208,190
		YAGEO Electronics Japan LLC	Receivables from related parties	Yes	11,887,360	11,887,360	5,943,680	1.3%	b	-	For revolving fund	-	None	-	17,208,190	17,208,190
10	KEMET Electronics Corporation	KEMET Electronics Bulgaria EAD	Receivables from related parties	Yes	202,788	165,917	165,917	2.5%	b	-	For revolving fund	-	None	-	71,430,500	71,430,500
		KEMET Electronics Bulgaria EAD	Receivables from related parties	Yes	46,088	9,218	9,218	3.25%	b	-	For revolving fund	-	None	-	71,430,500	71,430,500
		KEMET Electronics Italia SRL	Receivables from related parties	Yes	788,549	788,549	788,549	-	b	-	For revolving fund	-	None	-	71,430,500	71,430,500
11	KEMET Electronics (Suzhou) Co., Ltd.	Shanghai Arcotronics Components & Machineries Co., Ltd.	Receivables from related parties	Yes	238,474	238,474	238,474	3.65%	b	-	For revolving fund	-	None	-	4,096,309	4,096,309

(Continued)

No.	Financing Company	Counterparty	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Interest Rate	Nature for Financing (Note 3)	Transaction Amounts	Reason for Financing	Allowance for Impairment Loss	Collateral		Financing Limits for Each Borrowing Company (Note 1)	Financing Company's Total Financing Amount Limits (Note 2)
													Item	Value		
12	EGSTON System Electronics Eggenburg GmbH	EGSTON System Electronic spol.sr.o.	Receivables from related parties	Yes	$ 174,766	$ 82,590	$ 82,590	4.502%	b	$ -	For revolving fund	$ -	None	$ -	$ 1,017,522	$ 1,017,522
13	EGSTON Automotive Eggenburg GmbH	EGSTON Holding GmbH	Receivables from related parties	Yes	55,306	-	-	-	b	-	For revolving fund	-	None	-	432,084	432,084
14	EGSTON Far East GmbH	EGSTON System Electronics Eggenburg GmbH	Receivables from related parties	Yes	81,115	-	-	-	b	-	For revolving fund	-	None	-	280,050	280,050
15	EGSTON Electronics (INDIA) PVT. Ltd	Pulse System Electronics (India) PVT. Ltd	Receivables from related parties	Yes	45,461	45,461	44,237	7%	b	-	For revolving fund	-	None	-	143,703	143,703
16	Maxtop Profits Limited	Pulse Components Ltd.	Receivables from related parties	Yes	428,814	428,814	428,814	-	b	-	For revolving fund	-	None	-	793,747	793,747
		Acadia Electronics Co., Ltd	Receivables from related parties	Yes	361,537	361,537	287,658	-	b	-	For revolving fund	-	None	-	793,747	793,747
17	Pulse Finland Oy	Pulse Electronics Korea YH	Receivables from related parties	Yes	184,353	184,353	184,047	0.5%	b	-	For revolving fund	-	None	-	285,143	285,143
18	Dongguan Chilisin Electronics Co., Ltd.	Mag. Layers International Co., Ltd.	Other receivables - related parties	Yes	764,915	764,915	764,915	3%	b	-	For revolving fund	-	None	-	2,193,938	2,193,938
19	Mag. Layers Scientific-Technics Co., Ltd.	Magic Technology Co., Ltd.	Other receivables - related parties	Yes	251,504	-	-	-	b	-	For revolving fund	-	None	-	12,779,672	12,779,672
20	Chilisin Electronics Corp.	Magic Technology Co., Ltd.	Other receivables - related parties	Yes	251,504	-	-	-	b	-	For revolving fund	-	None	-	12,779,672	12,779,672
21	CHILISIN INT'L LIMITED	YAGEO ELECTRONICS INVESTMENT (S) PTE. LTD.	Other receivables - related parties	Yes	405,576	405,576	86,442	-	b	-	For revolving fund	-	None	-	5,180,367	5,180,367
22	SHIBAURA ELECTRONICS CO., LTD.	FUKUSHIMA SHIBAURA ELECTRONICS CO., LTD.	Receivables from related parties	Yes	200,800	160,640	160,640	0.6%	b	-	For revolving fund	-	None	-	2,919,572	2,919,572
23	Yageo Electronics Investment (S) PTE. LTD.	YAGEO Nexensos GmbH	Receivables from related parties	Yes	239,658	-	-	-	b	-	For revolving fund	-	None	-	2,575,994	2,575,994
		YAGEO Nexensos Malaysia Sdn. Bhd.	Receivables from related parties	Yes	442,446	442,446	320,773	5.933%	b	-	For revolving fund	-	None	-	2,575,994	2,575,994
24	YAGEO Electronics Holding(S) PTE LTD.	YAGEO Holding France	Receivables from related parties	Yes	7,993,492	7,993,492	7,993,492	4.65%	b	-	For revolving fund	-	None	-	33,670,362	33,670,362
25	YAGEO Holding France	TMSS France	Receivables from related parties	Yes	737,410	-	-	-	b	-	For revolving fund	-	None	-	19,540,111	19,540,111
26	TMSS France	TMSS Holding (Note 6)	Receivables from related parties	Yes	2,580,935	2,580,935	976,868	2.68%	b	-	For revolving fund	-	None	-	14,058,169	14,058,169
		Dinel (Note 6)	Receivables from related parties	Yes	2,580,935	2,580,935	-	2.68%	b	-	For revolving fund	-	None	-	14,058,169	14,058,169
		TMSS Germany GmbH (Note 6)	Receivables from related parties	Yes	2,580,935	2,580,935	-	2.68%	b	-	For revolving fund	-	None	-	14,058,169	14,058,169
		YAGEO TMSS ITALY S.R.L (Note 6)	Receivables from related parties	Yes	2,580,935	2,580,935	310,383	2.68%	b	-	For revolving fund	-	None	-	14,058,169	14,058,169
		ELECTRIC TESE ESPAÑA S.L. (Note 6)	Receivables from related parties	Yes	2,580,935	2,580,935	-	2.68%	b	-	For revolving fund	-	None	-	14,058,169	14,058,169
		TMSS Denmark ApS (Note 6)	Receivables from related parties	Yes	2,580,935	2,580,935	-	2.284%	b	-	For revolving fund	-	None	-	14,058,169	14,058,169
		YAGEO TMSS UK Ltd (Note 6)	Receivables from related parties	Yes	2,580,935	2,580,935	-	4.4754%	b	-	For revolving fund	-	None	-	14,058,169	14,058,169
		TMSS SINGAPORE PTE. LTD (Note 6)	Receivables from related parties	Yes	2,580,935	2,580,935	-	2.0712%	b	-	For revolving fund	-	None	-	14,058,169	14,058,169
		TMSS Japan INC. (Note 6)	Receivables from related parties	Yes	2,580,935	2,580,935	98,392	1.478%	b	-	For revolving fund	-	None	-	14,058,169	14,058,169
		TMSS US, LLC (Note 6)	Receivables from related parties	Yes	2,580,935	2,580,935	148,700	4.46%	b	-	For revolving fund	-	None	-	14,058,169	14,058,169
		YAGEO TMSS MEXICO, S.A. DE C.V. (Note 6)	Receivables from related parties	Yes	2,580,935	2,580,935	-	-	b	-	For revolving fund	-	None	-	14,058,169	14,058,169
27	YAGEO TMSS ITALY S.R.L	TMSS France	Receivables from related parties	Yes	700,540	700,540	-	1.93%	b	-	For revolving fund	-	None	-	1,057,225	1,057,225

(Continued)

No.	Financing Company	Counterparty	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Interest Rate	Nature for Financing (Note 3)	Transaction Amounts	Reason for Financing	Allowance for Impairment Loss	Collateral		Financing Limits for Each Borrowing Company (Note 1)	Financing Company's Total Financing Amount Limits (Note 2)
													Item	Value		
28	TMSS US, LLC	TMSS France	Receivables from related parties	Yes	$ 723,074	$ 723,074	$ -	3.71%	b	$ -	For revolving fund	$ -	None	$ -	$ 1,372,947	$ 1,372,947
29	TMSS Germany GmbH	TMSS France	Receivables from related parties	Yes	848,022	848,022	532,600	1.93%	b	-	For revolving fund	-	None	-	1,065,705	1,065,705
30	TMSS Holding	TMSS France	Receivables from related parties	Yes	368,705	368,705	-	1.93%	b	-	For revolving fund	-	None	-	24,644,906	24,644,906
31	TMSS Denmark ApS	TMSS France	Receivables from related parties	Yes	113,565	113,565	78,202	1.534%	b	-	For revolving fund	-	None	-	355,727	355,727
32	YAGEO TMSS UK Ltd	TMSS France	Receivables from related parties	Yes	126,796	126,796	79,151	3.7254%	b	-	For revolving fund	-	None	-	233,427	233,427
33	TMSS SINGAPORE PTE. LTD	TMSS France	Receivables from related parties	Yes	391,325	391,325	199,987	1.3212%	b	-	For revolving fund	-	None	-	507,596	507,596
34	Dinel	TMSS France	Receivables from related parties	Yes	30,308	30,308	9,856	1.93%	b	-	For revolving fund	-	None	-	42,733	42,733
35	ELECTRIC TESE ESPAÑA S.L.	TMSS France	Receivables from related parties	Yes	479,317	479,317	17,590	1.93%	b	-	For revolving fund	-	None	-	556,155	556,155
36	YAGEO TMSS MEXICO, S.A. DE C.V.	TMSS France	Receivables from related parties	Yes	24,452	24,452	-	-	b	-	For revolving fund	-	None	-	92,987	92,987

Note 1: For the Company, its domestic investees (Mag. Layers Scientific-Technics Co., Ltd. and Chilisin Electronics Corp.) and overseas investees (SHIBAURA ELECTRONICS CO., LTD.) business relationship, financing limit to each borrowing company is the amount of business operation (based on the previous year's actual sales and purchase amount when the loan contract was awarded). The financing limit to the counterparty which has short-term loan need is 40% of its net worth presented in the latest financial statements audited or reviewed by auditors. According to the financing procedure for Company's overseas investees, maximum financing amount that can be made by Yageo Holding (Bermuda) Ltd., Vitrohm Holding GmbH, Yageo Electronics (Dongguan) Co., Ltd., Yageo (Suzhou) Trade Co., Ltd., Yageo Electronics (China) Co., Ltd., Yageo Europe Holding B.V., Pulse Electronics (Singapore) Pte. Ltd, TOKIN Corporation, KEMET Electronics Corporation, KEMET Electronics (Suzhou) Co., Ltd., EGSTON System Electronics Eggenburg GmbH, EGSTON Automotive Eggenburg GmbH, EGSTON Far East GmbH, EGSTON Electronics (INDIA) PVT. Ltd, Maxtop Profits Limited, Dongguan Chilisin Electronics Co., Ltd., CHILISIN INT'L LIMITED, Yageo Electronics Investment (S) PTE. LTD., YAGEO Electronics Holding (S) PTE LTD., YAGEO Holding France, TMSS France, YAGEO TMSS ITALY S.R.L, TMSS US, LLC, TMSS Germany GmbH, TMSS Holding, TMSS Denmark ApS, YAGEO TMSS UK Ltd, TMSS SINGAPORE PTE. LTD, Dinel, ELECTRIC TESE ESPAÑA S.L. and YAGEO TMSS MEXICO, S.A. DE C.V. is 100% of each net worth presented in the latest financial statements audited or reviewed by auditors. For Pulse Finland Oy, the maximum financing amount that can be made is limited to 200% of each net worth presented in the latest financial statements audited or reviewed by auditors. For Pulse Components Ltd., the maximum financing amount that can be made is limited to the transaction amount between the two parties in the past year or expected in the next year.

Note 2: For the Company, its domestic investees (Mag. Layers Scientific-Technics Co., Ltd. and Chilisin Electronics Corp.) and overseas investees (SHIBAURA ELECTRONICS CO., LTD.) the financing amount to each counterparty is limited to 40% of its net worth presented in the latest financial statements audited or reviewed by auditors. According to the financing procedures for Company's overseas investees, maximum financing amount that can be made by Yageo Holding (Bermuda) Ltd., Vitrohm Holding GmbH, Yageo Electronics (Dongguan) Co., Ltd., Yageo (Suzhou) Trade Co., Ltd., Yageo Electronics (China) Co., Ltd., Yageo Europe Holding B.V., Pulse Electronics (Singapore) Pte. Ltd, TOKIN Corporation, KEMET Electronics Corporation, KEMET Electronics (Suzhou) Co., Ltd., EGSTON System Electronics Eggenburg GmbH, EGSTON Automotive Eggenburg GmbH, EGSTON Far East GmbH, EGSTON Electronics (INDIA) PVT. Ltd, Maxtop Profits Limited, Dongguan Chilisin Electronics Co., Ltd., CHILISIN INT'L LIMITED, Yageo Electronics Investment (S) PTE. LTD., YAGEO Electronics Holding (S) PTE LTD., YAGEO Holding France, TMSS France, YAGEO TMSS ITALY S.R.L, TMSS US, LLC, TMSS Germany GmbH, TMSS Holding, TMSS Denmark ApS, YAGEO TMSS UK Ltd, TMSS SINGAPORE PTE. LTD, Dinel, ELECTRIC TESE ESPAÑA S.L. and YAGEO TMSS MEXICO, S.A. DE C.V. is 100% of each net worth presented in the latest financial statements audited or reviewed by auditors. For Pulse Finland Oy, the maximum financing amount that can be made is 200% of each net worth presented in the latest financial statements audited or reviewed by auditors. For Pulse Components Ltd., the maximum financing amount that can be made is limited to the transaction amount between the two parties in the past year or expected in the next year.

Note 3: Reasons for financing are as follows:

a. Business relationship.

b. For financing. According to Letter No. 0980000271 issued by the FSC on January 15, 2009, which revised article 3 of the operating procedures of the regulation on financing provided and endorsement/guarantee provided, the overseas investees in which the Company has 100% ownership and voting rights directly and indirectly, the financing amount to each counterparty is not subject to the short-term financing limit. However, the limits and the terms for the financing should still be specified by the financing procedures.

Note 4: The currency exchange rates on December 31, 2025, of NTD to HKD, USD, JPY, EUR, RMB, DKK, GBP, SGD, MXN and INR were 1:4.0392, 1:31.438, 1:0.2008, 1:36.8705, 1:4.4995, 1:4.9376, 1:42.2652, 1:24.4578, 1:1.7466 and 1:0.3497, respectively; the currency exchange rates of USD to HKD, JPY, EUR, RMB, DKK, GBP, SGD, MXN and INR were 1:0.1285, 1:0.0064, 1:1.1728, 1:0.1431, 1:0.1571, 1:1.3444, 1:0.778, 1:0.0556 and 1:0.0111, respectively.

Note 5: All intercompany financing loans have been eliminated on consolidation.

Note 6: The borrowers of the shared credit line include TMSS Holding, Dinel, TMSS Germany GmbH, YAGEO TMSS ITALY S.R.L, ELECTRIC TESE ESPAÑA S.L., TMSS Denmark ApS, YAGEO TMSS UK Ltd, TMSS SINGAPORE PTE. LTD, TMSS Japan INC., TMSS US, LLC, and YAGEO TMSS MEXICO, S.A. DE C.V.

(Concluded)

YAGEO CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2025
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party (Note 1)	Maximum Balance for the Period	Ending Balance	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 A Subsidiary	Guarantee Provided to Subsidiaries in Mainland China
		Name	Nature of Relationship										
0	Yageo Corporation	Yageo Holding (Bermuda) Ltd.	Subsidiary	$ 170,877,823	$ 6,878,906	$ 6,564,526	$ -	$ -	3.84%	$ 256,316,735	Yes	No	No
		The shared borrowing facilities of Yageo Electronics (China) Co., Ltd. and Yageo Electronics (Dongguan) Co., Ltd.	Subsidiary	170,877,823	1,226,082	1,226,082	-	-	0.72%	256,316,735	Yes	No	Yes
		Yageo USA (H.K.) Limited	Subsidiary	170,877,823	157,190	157,190	-	-	0.09%	256,316,735	Yes	No	No
		Kuo-Shin Investment Limited	Subsidiary	170,877,823	200,000	-	-	-	-	256,316,735	Yes	No	No
		Yageo Europe Holding B.V.	Subsidiary	170,877,823	2,043,470	1,729,090	-	-	1.01%	256,316,735	Yes	No	No
		Yageo Electronics (China) Co., Ltd.	Subsidiary	170,877,823	157,190	157,190	-	-	0.09%	256,316,735	Yes	No	Yes
1	TOKIN Corporation	TOKIN Electronics (Thailand) Co., Ltd.	Subsidiary	17,208,190	1,410,435	1,410,435	2,528	-	8.20%	25,812,285	Yes	No	No
2	Chilisin Electronics Corp.	Chilisin International Ltd.	Subsidiary	15,974,591	62,876	62,876	-	-	0.20%	31,949,181	Yes	No	No
		Chilisin Electronics (Vietnam) Limited company	Subsidiary	15,974,591	628,760	-	-	-	-	31,949,181	Yes	No	No

Note 1: For the Company and its overseas investees, endorsements or guarantees to each counterparty are limited to 100% of its net worth presented in the latest financial statements. For Chilisin Electronics Corp. endorsements or guarantees to each counterparty are limited to 50% of its net worth presented in the latest financial statements.

Note 2: Maximum endorsements/guarantees allowed for the Company and its overseas investees are 150% of its net worth presented in the latest financial statements. Maximum endorsements/guarantees allowed for Chilisin Electronics Corp. is 100% of its net worth presented in the latest financial statements.

Note 3: The endorsements/guarantees were based on the currency exchange rates on December 31, 2025, of NTD to USD and JPY, which were 1:31.438 and 1:0.2008, respectively.

YAGEO CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2025
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Holding Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	December 31, 2025				Note
				Shares/Units (In Thousands)	Carrying Value	Percentage of Ownership (%)	Fair Value (Note)	
Yageo Corporation	Shares							
	Tong Hsing Electronic Industries, Ltd.	Substantial related party	Financial assets at FVTOCI - non-current	3,307	$ 441,418	1.58	$ 441,418	1
	Fubon Financial Holding Co., Ltd. Preferred Shares C	-	Financial assets at FVTOCI - non-current	5,000	267,000	1.50	267,000	1
	Fubon Financial Holding Co., Ltd. Preferred Shares A	-	Financial assets at FVTOCI - non-current	1,586	100,394	0.26	100,394	1
	Cathay Financial Holding Co., Ltd. Preferred Shares A	-	Financial assets at FVTOCI - non-current	1,598	96,998	0.19	96,998	1
	Foxtron Vehicle Technologies Co., Ltd.	-	Financial assets at FVTOCI - non-current	1,490	64,219	0.09	64,219	1
	Linko International Golf & Country Club	-	Financial assets at FVTPL - non-current	-	482	0.10	482	1
	Bonds							
	HSBC Holdings plc.	-	Financial assets at amortized cost - current	-	482,132	-	482,132	2
	BNP Paribas	-	Financial assets at amortized cost - current	-	292,468	-	292,468	2
	Hon Hai Technology Group (Foxconn)	-	Financial assets at amortized cost - current	-	124,882	-	124,882	2
	UBS Group	-	Financial assets at amortized cost - current	-	124,277	-	124,277	2
	Goldman Sachs BDC Inc.	-	Financial assets at amortized cost - current	-	94,350	-	94,350	2
	Structured notes							
	Gloria Material Technology Corp. credit-linked structured notes	-	Financial assets at FVTPL - non-current	-	65,335	-	65,335	1
Kuo-Shin Investment Limited.	Shares							
	Yageo Corporation	Parent company	Financial assets at FVTOCI - non-current	3,833	885,498	0.18	885,498	1, 3
	Tong Hsing Electronic Industries, Ltd.	Substantial related party	Financial assets at FVTOCI - non-current	2,421	323,137	1.16	323,137	1
	Hsin Bung International Co., Ltd.	Substantial related party	Financial assets at FVTPL - non-current	2,761	33,622	16.59	33,622	1
	Ta-I Technology Co., Ltd.	-	Financial assets at FVTOCI - non-current	-	1	-	1	1
Yageo Holding (Bermuda) Ltd.	Shares							
	Canoo Inc.	-	Financial assets at FVTPL - current	2	-	-	-	1
	Bonds							
	UBS Group	-	Financial assets at amortized cost - current	-	407,245	-	407,245	2
	TSMC GLOBAL LTD.	-	Financial assets at amortized cost - current	-	312,020	-	312,020	2
	BNP Paribas	-	Financial assets at amortized cost - current	-	292,467	-	292,467	2
	Mitsubishi UFJ Financial Group	-	Financial assets at amortized cost - current	-	214,854	-	214,854	2
	Hon Hai Technology Group (Foxconn)	-	Financial assets at amortized cost - current	-	187,490	-	187,490	2
	Citigroup Global Markets Holdings Inc.	-	Financial assets at amortized cost - current	-	157,190	-	157,190	2
	HSBC Holdings plc	-	Financial assets at amortized cost - non-current	-	1,110,148	-	1,110,148	2
	Barclays PLC	-	Financial assets at amortized cost - non-current	-	810,526	-	810,526	2
	Nomura Holdings, Inc.	-	Financial assets at amortized cost - non-current	-	801,402	-	801,402	2

(Continued)

Holding Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	December 31, 2025				Note
				Shares/Units (In Thousands)	Carrying Value	Percentage of Ownership (%)	Fair Value (Note)	
	Bank of America Corporation	-	Financial assets at amortized cost - non-current	-	$ 772,008	-	$ 772,008	2
	Morgan Stanley	-	Financial assets at amortized cost - non-current	-	657,537	-	657,537	2
	Lloyds Banking Group	-	Financial assets at amortized cost - non-current	-	549,513	-	549,513	2
	Mizuho Financial Group	-	Financial assets at amortized cost - non-current	-	549,019	-	549,019	2
	Standard Chartered Bank	-	Financial assets at amortized cost - non-current	-	502,607	-	502,607	2
	Sumitomo Mitsui Trust Bank	-	Financial assets at amortized cost - non-current	-	380,710	-	380,710	2
	UBS Group	-	Financial assets at amortized cost - non-current	-	369,209	-	369,209	2
	Goldman Sachs Finance Corp International Ltd	-	Financial assets at amortized cost - non-current	-	308,092	-	308,092	2
	JP Morgan	-	Financial assets at amortized cost - non-current	-	280,124	-	280,124	2
	Wells Fargo	-	Financial assets at amortized cost - non-current	-	279,579	-	279,579	2
	Credit Agricole SA	-	Financial assets at amortized cost - non-current	-	188,253	-	188,253	2
	HP Inc.	-	Financial assets at amortized cost - non-current	-	155,889	-	155,889	2
	Verizon Communications	-	Financial assets at amortized cost - non-current	-	154,363	-	154,363	2
	Comcast Corporation	-	Financial assets at amortized cost - non-current	-	151,763	-	151,763	2
	BNP Paribas	-	Financial assets at amortized cost - non-current	-	94,256	-	94,256	2
	Macquarie Group Ltd.	-	Financial assets at amortized cost - non-current	-	93,362	-	93,362	2
	Foreign private fund							
	SMART Growth Fund, L.P.	-	Financial assets at FVTPL - non-current	-	214,588	1.49	214,588	1
	New Epoch Investment Partners Limited	-	Financial assets at FVTPL - non-current	-	123,111	1.92	123,111	1
Yageo Electronics Holding (S) PTE. LTD.	Bonds							
	Bank of America Corporation	-	Financial assets at amortized cost - current	-	279,003	-	279,003	2
	HSBC Holdings plc	-	Financial assets at amortized cost - non-current	-	566,251	-	566,251	2
	Bank of America Corporation	-	Financial assets at amortized cost - non-current	-	344,435	-	344,435	2
	Citigroup Global Markets Holdings Inc.	-	Financial assets at amortized cost - non-current	-	282,942	-	282,942	2
	Credit Agricole CIB FS	-	Financial assets at amortized cost - non-current	-	282,942	-	282,942	2
	Goldman Sachs Finance Corp International Ltd.	-	Financial assets at amortized cost - non-current	-	282,942	-	282,942	2
	Nomura International Funding Pte. Ltd.	-	Financial assets at amortized cost - non-current	-	282,942	-	282,942	2
	Lloyds Banking Group	-	Financial assets at amortized cost - non-current	-	251,146	-	251,146	2
	Barclays PLC	-	Financial assets at amortized cost - non-current	-	243,188	-	243,188	2
	Goldman Sachs BDC Inc.	-	Financial assets at amortized cost - non-current	-	124,293	-	124,293	2
Yageo Europe Holding B.V.	Bonds							
	Nissan Motor Co., Ltd.	-	Financial assets at amortized cost - current	-	331,426	-	331,426	2
	Goldman Sachs BDC Inc.	-	Financial assets at amortized cost - current	-	62,890	-	62,890	2
	Imperial Brands	-	Financial assets at amortized cost - non-current	-	360,633	-	360,633	2
	Argentum Netherlands BV	-	Financial assets at amortized cost - non-current	-	94,314	-	94,314	2
Ko-E Technology (Shenzhen) Co., Ltd.	Structured deposits							
	China Construction Bank Qianyuan-Hengying Net Value RMB Financial Products	-	Financial assets at FVTPL - current	-	324,002	-	324,002	1
	CCB Wealth Management Tiantianli Financial Products	-	Financial assets at FVTPL - current	-	318,012	-	318,012	1

(Continued)

Holding Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	December 31, 2025				Note
				Shares/Units (In Thousands)	Carrying Value	Percentage of Ownership (%)	Fair Value (Note)	
KEMET Electronics Corporation	Bonds							
	Goldman Sachs BDC Inc.	-	Financial assets at amortized cost - non-current	-	$ 2,128,146	-	$ 2,128,146	2
	Wells Fargo	-	Financial assets at amortized cost - non-current	-	1,315,638	-	1,315,638	2
	HSBC Holdings plc	-	Financial assets at amortized cost - non-current	-	829,801	-	829,801	2
	Barclays PLC	-	Financial assets at amortized cost - non-current	-	817,456	-	817,456	2
	JP Morgan	-	Financial assets at amortized cost - non-current	-	793,145	-	793,145	2
	Societe Generale	-	Financial assets at amortized cost - non-current	-	592,437	-	592,437	2
	Mizuho Financial Group	-	Financial assets at amortized cost - non-current	-	589,101	-	589,101	2
	Lloyds Banking Group	-	Financial assets at amortized cost - non-current	-	573,613	-	573,613	2
	BNP Paribas	-	Financial assets at amortized cost - non-current	-	557,953	-	557,953	2
	Standard Chartered Bank	-	Financial assets at amortized cost - non-current	-	546,903	-	546,903	2
	Citigroup Global Markets Holdings Inc.	-	Financial assets at amortized cost - non-current	-	528,124	-	528,124	2
	Bank of America Corporation	-	Financial assets at amortized cost - non-current	-	465,396	-	465,396	2
	Standard Chartered Plc	-	Financial assets at amortized cost - non-current	-	294,686	-	294,686	2
	NatWest Group	-	Financial assets at amortized cost - non-current	-	291,546	-	291,546	2
	Nomura Holdings, Inc.	-	Financial assets at amortized cost - non-current	-	278,249	-	278,249	2
	UBS Group	-	Financial assets at amortized cost - non-current	-	276,006	-	276,006	2
	Morgan Stanley	-	Financial assets at amortized cost - non-current	-	262,372	-	262,372	2
TOKIN Corporation	Shares							
	The 77 Bank Ltd.	-	Financial assets at FVTPL - non-current	30	45,868	0.04	45,868	1
	Sanshin Electronics Co Ltd.	-	Financial assets at FVTPL - non-current	50	31,410	0.31	31,410	1
	Ryosan Co Ltd.	-	Financial assets at FVTPL - non-current	42	25,968	0.08	25,968	1
	Hagiwara Electric Holdings Co Ltd.	-	Financial assets at FVTPL - non-current	10	7,294	0.10	7,294	1
	SK Tech Co., Ltd.	-	Financial assets at FVTPL - non-current	13	566	5.95	566	1
	Nyuzen Machidukuri Kahihatsu	-	Financial assets at FVTPL - non-current	-	31	1.00	31	1
	Tohoku Magnet Institute	-	Financial assets at FVTPL - non-current	57	-	1.97	-	1
	Aiwa Seimitsu	-	Financial assets at FVTPL - non-current	2	-	5.00	-	1
	Neo Photonics Corporation	-	Financial assets at FVTPL - non-current	1	-	-	-	1
	Sendai Port Trade Promotion Center	-	Financial assets at FVTPL - non-current	-	-	0.23	-	1
Chilisin Electronics Corp.	Shares							
	Fubon Financial Holding Co., Ltd. Preferred Shares A	-	Financial assets at FVTOCI - non-current	2,195	138,944	0.37	138,944	1
	Fubon Financial Holding Co., Ltd. Preferred Shares C	-	Financial assets at FVTOCI - non-current	2,333	124,582	0.70	124,582	1
	Fubon Financial Holding Co., Ltd. Preferred Shares B	-	Financial assets at FVTOCI - non-current	1,106	68,240	0.17	68,240	1
	Cathay Financial Holding Co., Ltd. Preferred Shares A	-	Financial assets at FVTOCI - non-current	434	26,344	0.05	26,344	1
	Structured notes							
	Yulon Finance Corporation credit-linked structured notes	-	Financial assets at FVTPL - non-current	-	49,774	-	49,774	1
Deyang Hongyi Electronics Co., Ltd.	Structured deposits							
	Bank of China Accumulation Plan - Daily	-	Financial assets at FVTPL - current	-	110,810	-	110,810	1
	Bank of China Wealth Management Enjoy Everyday	-	Financial assets at FVTPL - current	-	9,925	-	9,925	1

(Continued)

Holding Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	December 31, 2025				Note
				Shares/Units (In Thousands)	Carrying Value	Percentage of Ownership (%)	Fair Value (Note)	
Hunan Chilisin Electronics Technology Co., Ltd.	Structured deposits							
	Fubon Bank (China) RMB interest rate structured products (monthly distribution)	-	Financial assets at FVTPL - current	-	$ 522	-	$ 522	1
Shibaura Electronics Co., Ltd.	Shares							
	Resona Holdings, Inc.	-	Financial assets at FVTOCI - non-current	-	25	-	25	1
	Mitsubishi UFJ Financial Group, Inc.	-	Financial assets at FVTOCI - non-current	42	19,996	-	19,996	1
	The Musashino Bank, Ltd.	-	Financial assets at FVTOCI - non-current	11	9,207	0.03	9,207	1
	Musashi Securities Co., Ltd.	-	Financial assets at FVTOCI - non-current	8	2,410	0.08	2,410	1

Note 1: The listed ordinary shares and preference shares were valued by their closing prices as of December 31, 2025. The unlisted ordinary shares were determined using the discounted cash flow method. The debt investments with no active market were valued using the evaluated information provided by the Company. The foreign private funds were valued using the asset-based approach. The structured notes and deposits were valued using the valuation technique, the quoted market price of its competitors and the future cash flows.

Note 2: The carrying amount is calculated at amortized cost.

Note 3: The Company’s ordinary shares held by subsidiaries are treated as treasury shares.

(Concluded)

YAGEO CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2025
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company Name	Related Party	Nature of Relationships	Transaction Details (Note)				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchases/ Sales	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Yageo Corporation	Yageo Corporation (South Asia)	Subsidiary	Sale	$ (1,436,999)	(3)	T/T 90 days	$ -	-	$ 394,067	5	-
	Yageo Europe Holding B.V.	Subsidiary	Sale	(1,510,594)	(4)	Offset account T/T 45 days	-	-	115,491	1	-
	Yageo USA (H.K.) Limited	Subsidiary	Sale	(20,666,562)	(49)	Offset account T/T 90 days	-	-	1,231,807	16	-
	Yageo Electronics (China) Co., Ltd.	Subsidiary	Sale	(2,593,144)	(6)	T/T 90 days	-	-	278,675	4	-
	Yageo Electronics (Dongguan) Co., Ltd.	Subsidiary	Sale	(3,302,877)	(8)	Offset account T/T 90 days	-	-	(3,001,208)	(24)	-
	Yageo (Suzhou) Trade Co., Ltd.	Subsidiary	Sale	(1,285,376)	(3)	T/T 90 days	-	-	274,892	4	-
	Ko-E Component Co., Ltd.	Subsidiary	Sale	(702,872)	(2)	T/T 90 days	-	-	170,225	2	-
	Ko-E (H.K.) Limited	Subsidiary	Sale	(381,107)	(1)	T/T 90 days	-	-	140,764	2	-
	KEMET Electronics Corporation	Subsidiary	Sale	(301,935)	(1)	T/T 90 days	-	-	154,557	2	-
Yageo Electronics (China) Co., Ltd.	Yageo Corporation	Ultimate parent company	Sale	(12,631,016)	(84)	T/T 90 days	-	-	3,119,024	53	-
	Yageo Europe Holding B.V.	Parent company	Sale	(893,966)	(6)	T/T 90 days	-	-	227,818	4	-
Yageo USA (H.K.) Limited	Yageo Electronics (Dongguan) Co., Ltd.	Associate	Sale	(3,991,321)	(19)	T/T 90 days	-	-	1,109,906	16	-
	Yageo (Suzhou) Trade Co., Ltd.	Associate	Sale	(10,974,061)	(53)	T/T 90 days	-	-	4,162,487	59	-
	Ko-E (H.K.) Limited	Associate	Sale	(211,242)	(1)	T/T 90 days	-	-	77,687	1	-
Yageo (Suzhou) Trade Co., Ltd.	Ko-E Technology (Shenzhen) Co., Ltd.	Associate	Sale	(10,470,398)	(80)	T/T 65 days	-	-	2,662,876	77	-
Yageo Electronics (Dongguan) Co., Ltd.	Yageo Corporation	Ultimate parent company	Sale	(9,061,137)	(95)	Offset account T/T 90 days	-	-	3,001,208	75	-
Bestbright Electronics Co., Ltd.	Yageo Corporation	Ultimate parent company	Sale	(199,055)	(12)	T/T 30-60 days	-	-	84,851	18	-
	Ko-E Technology (Shenzhen) Co., Ltd.	Associate	Sale	(1,223,908)	(77)	T/T 30-60 days	-	-	359,357	74	-
YAGEO Nexensos GmbH	KEMET Electronics Corporation	Associate	Sale	(144,747)	(6)	T/T 90 days	-	-	25,527	4	-
	Yageo Corporation	Ultimate parent company	Sale	(1,089,747)	(45)	T/T 90 days	-	-	379,497	65	-
	YAGEO Nexensos Malaysia Sdn. Bhd.	Associate	Sale	(143,620)	(6)	T/T 90 days	-	-	24,837	4	-
YAGEO Nexensos Malaysia Sdn. Bhd.	YAGEO Nexensos GmbH	Associate	Sale	(248,566)	(100)	T/T 90 days	-	-	58,462	100	-
Yageo (ShenZhen) Modern Logistics Co., Ltd.	Ko-E Technology (Shenzhen) Co., Ltd.	Associate	Sale	(162,497)	(88)	T/T 90 days	-	-	177,216	96	-
EGSTON System Electronic spol.s.r.o.	EGSTON System Electronics Eggenburg GmbH	Associate	Sale	(1,357,112)	(50)	T/T 30 days	-	-	30,288	49	-
	EGSTON Automotive Eggenburg GmbH	Associate	Sale	(1,332,436)	(49)	T/T 30 days	-	-	19,275	31	-
Mian Yang Pulse Electronics Co., Ltd.	Pulse Electronics (Singapore) Pte. Ltd	Parent company	Sale	(1,927,147)	(82)	T/T 90 days	-	-	696,345	81	-
	Pulse Electronics Inc.	Parent company	Sale	(270,217)	(11)	T/T 90 days	-	-	109,599	13	-
Pulse (Suzhou) Wireless Products Co., Ltd.	Pulse Electronics (Singapore) Pte. Ltd	Parent company	Sale	(602,957)	(39)	T/T 90 days	-	-	36,730	6	-
	Pulse Electronics Inc.	Parent company	Sale	(277,545)	(18)	T/T 90 days	-	-	7,894	1	-
Suining Pulse Electronics Co., Ltd.	Pulse Electronics (Singapore) Pte. Ltd	Parent company	Sale	(2,320,396)	(42)	T/T 90 days	-	-	394,954	24	-
KEMET Electronics Italia S.r.l.	KEMET Electronics Corporation	Parent company	Sale	(121,337)	-	Net 60 days	-	-	111,448	-	-
KEMET Electronics Bulgaria EAD	KEMET Electronics Corporation	Parent company	Sale	(213,197)	-	Net 60 days	-	-	23,579	-	-
KEMET Electronics Macedonia DOOEL Skopje	KEMET Electronics Corporation	Parent company	Sale	(206,522)	-	Net 60 days	-	-	255,245	-	-

(Continued)

Company Name	Related Party	Nature of Relationships	Transaction Details (Note)				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchases/ Sales	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
KEMET Electronics Portugal, S.A.	KEMET Electronics Corporation	Parent company	Sale	$ (293,142)	(1)	Net 60 days	$ -	-	$ 943,109	2	-
Shanghai Arcotronics Components & Machineries Co., Ltd.	KEMET Electronics Corporation	Parent company	Sale	(343,705)	(1)	Net 60 days	-	-	45,837	-	-
	KEMET Electronics (Suzhou) Co., Ltd.	Parent company	Sale	(107,488)	-	Net 60 days	-	-	39,423	-	-
KEMET Electronics (Suzhou) Co., Ltd.	KEMET Electronics Corporation	Parent company	Sale	(2,015,284)	(4)	Net 60 days	-	-	1,277,137	2	-
KEMET Electronics Corporation	KEMET Electronics (Suzhou) Co., Ltd.	Subsidiary	Sale	(1,144,809)	(2)	Net 60 days	-	-	(1,277,137)	(2)	-
	KEMET Electronics Marketing (S) Pte Ltd.	Subsidiary	Sale	(3,428,968)	(6)	Net 60 days	-	-	1,856,634	4	-
	TOKIN Electronics (Thailand) Co., Ltd.	Subsidiary	Sale	(333,255)	(1)	Net 45 days	-	-	75,734	-	-
TOKIN Corporation	TOKIN Hong Kong Ltd.	Subsidiary	Sale	(4,460,924)	(8)	T/T 90 days	-	-	694,151	1	-
	TOKIN Singapore Pte Ltd	Subsidiary	Sale	(474,711)	(1)	T/T 30 days	-	-	55,488	-	-
	KEMET Electronics Corporation	Parent company	Sale	(796,675)	(1)	Net 60 days	-	-	1,468,343	3	-
	KEMET Electronics (Suzhou) Co., Ltd.	Associate	Sale	(252,406)	-	Net 60 days	-	-	627,723	1	-
	TOKIN Electronics (Thailand) Co., Ltd.	Subsidiary	Sale	(102,840)	-	T/T 50 days	-	-	12,952	-	-
TOKIN Electronics (Xiamen) Corporation	TOKIN Corporation	Parent company	Sale	(1,472,886)	(3)	Net 80 days	-	-	381,437	1	-
	TOKIN Electronics (Vietnam) Co., Ltd.	Associate	Sale	(222,586)	-	T/T 50 days	-	-	54,639	-	-
TOKIN Electronics (Vietnam) Co., Ltd.	TOKIN Corporation	Parent company	Sale	(1,642,976)	(3)	Net 50 days	-	-	529,825	1	-
TOKIN Electronics (Thailand) Co., Ltd.	TOKIN Corporation	Parent company	Sale	(3,996,319)	(7)	T/T 80 days	-	-	1,046,414	2	-
Hunan Chilisin Electronics Technology Co., Ltd.	Chilisin Electronics Corp.	Parent company	Sale	(1,471,575)	(59)	T/T 120 days	-	-	707,170	59	-
	Mag. Layers International Co., Ltd.	Associate	Sale	(680,833)	(27)	T/T 120 days	-	-	363,401	30	-
	Dongguan Chilisin Electronics Co., Ltd.	Associate	Sale	(174,732)	(7)	T/T 120 days	-	-	52,814	4	-
Dongguan Chilisin Electronics Co., Ltd.	Chilisin Electronics Corp.	Parent company	Sale	(691,011)	(86)	T/T 120 days	-	-	395,228	93	-
Chilisin Electronics (Vietnam) Limited Company	Chilisin Electronics Corp.	Parent company	Sale	(854,691)	(40)	T/T 120 days	-	-	765,275	44	-
	Shenzhen Chilisin Electronics Co., Ltd.	Associate	Sale	(708,957)	(33)	T/T 120 days	-	-	714,549	41	-
	Dongguan Chilisin Electronics Co., Ltd.	Associate	Sale	(278,501)	(13)	T/T 120 days	-	-	100,010	6	-
	Mag. Layers International Co., Ltd.	Associate	Sale	(235,236)	(11)	T/T 120 days	-	-	139,472	8	-
Mag. Layers International Co., Ltd.	Suining Pulse Electronics Co., Ltd.	Associate	Sale	(1,821,114)	(53)	T/T 120 days	-	-	736,301	49	-
	Chilisin Electronics Corp.	Parent company	Sale	(1,393,104)	(41)	T/T 120 days	-	-	656,698	44	-
Chilisin Electronics Corp.	Pulse Electronics (Singapore) Pte. Ltd	Associate	Sale	(5,563,927)	(73)	T/T 120 days	-	-	1,703,394	74	-
	Chilisin Electronics (Vietnam) Limited Company	Subsidiary	Sale	(593,155)	(8)	T/T 120 days	-	-	159,588	7	-
	Pulse Electronics Inc.	Associate	Sale	(386,822)	(5)	T/T 120 days	-	-	86,091	4	-
Deyang Bothhand Electronics Co., Ltd.	Pulse Electronics (Singapore) Pte. Ltd	Associate	Sale	(671,299)	(51)	T/T 120 days	-	-	143,230	49	-
Deyang Hongyi Electronics Co., Ltd.	Deyang Bothhand Electronics Co., Ltd.	Parent company	Sale	(141,106)	(70)	T/T 120 days	-	-	60,230	73	-
Ferroxcube Polska Sp. Z.o.o.	Ferroxcube International Holding B.V.	Parent company	Sale	(462,072)	(38)	T/T 120 days	-	-	38,567	20	-
	Ferroxcube Electronics (Dongguan) Limited	Associate	Sale	(135,617)	(11)	T/T 120 days	-	-	42,919	22	-
Shin Yuan Electronics Productions (Kunshan) Co., Ltd.	Hunan Chilisin Electronics Technology Co., Ltd.	Associate	Sale	(296,162)	(56)	T/T 120 days	-	-	136,651	54	-
	Mag. Layers International Co., Ltd.	Parent company	Sale	(209,038)	(39)	T/T 120 days	-	-	106,625	42	-
Ferroxcube Electronics (Dongguan) Limited	Ferroxcube Hong Kong Limited	Parent company	Sale	(255,987)	(41)	T/T 120 days	-	-	28,920	18	-
Shenzhen Chilisin Electronics Co., Ltd.	Mag. Layers International Co., Ltd.	Associate	Sale	(817,619)	(84)	T/T 120 days	-	-	461,994	94	-

Note: All intercompany transactions have been eliminated on consolidation.

(Concluded)

TABLE 5

YAGEO CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2025
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company Name	Related Party	Nature of Relationships	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
Yageo Corporation	Yageo Europe Holding B.V.	Subsidiary	$ 115,491	19.91	$ -	-	$ 115,491	$ -
	Yageo Electronics (China) Co., Ltd.	Subsidiary	278,675	6.71	-	-	-	-
	Yageo (Suzhou) Trade Co., Ltd.	Subsidiary	274,892	3.28	-	-	-	-
	Yageo USA (H.K.) Limited	Subsidiary	1,231,807	10.89	-	-	1,231,807	-
	Ko-E Component Co., Ltd.	Subsidiary	170,225	4.87	-	-	131,363	-
	Ko-E (H.K.) Limited	Subsidiary	140,764	3.90	-	-	83,699	-
	Yageo Corporation (South Asia)	Subsidiary	394,067	5.04	-	-	99,855	-
	KEMET Electronics Corporation	Subsidiary	154,557	2.47	-	-	30,295	-
	Kuo-Shin Investment Limited	Subsidiary	270,672 (Note 2)	-	-	-	-	-
	YAGEO Electronics Japan LLC	Subsidiary	8,871,459 (Note 2)	-	-	-	-	-
Yageo Electronics (China) Co., Ltd.	Pulse (Suzhou) Wireless Products Co., Ltd.	Associate	249,955	0.26	-	-	14,369	-
	Yageo Europe Holding B.V.	Parent company	227,818	6.27	-	-	82,983	-
	Yageo Corporation	Ultimate parent company	3,119,024	5.74	-	-	314,380	-
Yageo USA (H.K.) Limited	Yageo (Suzhou) Trade Co., Ltd.	Associate	4,162,487	2.32	-	-	126,600	-
	Yageo Electronics (Dongguan) Co., Ltd.	Associate	1,109,906	5.11	-	-	654,991	-
Yageo Electronics (Dongguan) Co., Ltd.	Yageo Corporation	Ultimate parent company	3,001,208	4.20	-	-	1,021,026	-
	Bestbright Electronics Co., Ltd.	Associate	273,012 (Note 2)	-	-	-	-	-
Yageo (Suzhou) Trade Co., Ltd.	Ko-E Technology (Shenzhen) Co., Ltd.	Associate	2,662,876	3.71	-	-	1,821,689	-
Bestbright Electronics Co., Ltd.	Ko-E Technology (Shenzhen) Co., Ltd.	Associate	359,357	3.54	-	-	233,568	-
YAGEO Nexensos GmbH	Yageo Corporation	Ultimate parent company	379,497	3.94	-	-	-	-
Yageo Holding (Bermuda) Ltd.	Yageo Corporation	Ultimate parent company	12,575,200 (Note 2)	-	-	-	-	-
	Yageo USA (H.K.) Limited	Associate	6,230,458 (Note 2)	-	-	-	-	-
	Yageo Europe Holding B.V.	Associate	6,376,959 (Note 1)	-	-	-	-	-
	Yageo Electronics Holding (S) PTE. LTD.	Associate	2,420,726 (Note 2)	-	-	-	-	-
	Yageo Asia Electronics PTE. LTD.	Associate	15,090,240 (Note 2)	-	-	-	-	-
Yageo (Hong Kong) Limited	Yageo Asia Electronics PTE. LTD.	Associate	2,372,922 (Note 2)	-	-	-	-	-

(Continued)

Company Name	Related Party	Nature of Relationships	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
Brightking Enterprise (H.K.) Co., Ltd.	Yageo Asia Electronics PTE. LTD.	Associate	$ 666,013 (Note 2)	-	$ -	-	$ -	$ -
Yageo Europe Holding B.V.	YAGEO Nexensos GmbH	Subsidiary	558,432 (Note 2)	-	-	-	-	-
Vitrohm Holding GmbH	Yageo Holding (Bermuda) Ltd.	Parent company	320,804 (Note 2)	-	-	-	-	-
Yageo Electronics Investment (S) PTE. LTD.	YAGEO Nexensos Malaysia Sdn. Bhd.	Subsidiary	361,505 (Note 2)	-	-	-	-	-
Yageo Electronics Holding (S) PTE. LTD.	YAGEO Holding France	Subsidiary	8,060,700 (Note 2)	-	-	-	-	-
TMSS France	TMSS Holding	Parent company	979,121 (Note 2)	-	-	-	-	-
TMSS Holding	TMSS France	Subsidiary	3,467,111 (Note 2)	-	-	-	-	-
Yageo (ShenZhen) Modern Logistics Co., Ltd.	Ko-E Technology (Shenzhen) Co., Ltd.	Associate	177,216	1.83	-	-	9,804	-
EGSTON System Electronics Eggenburg GmbH	EGSTON Automotive Eggenburg GmbH	Associate	142,280	-	-	-	-	-
Dongguan Pulse Electronics Co., Ltd.	Pulse Electronics (Singapore) Pte. Ltd	Parent company	1,963,169	-	-	-	-	-
	Pulse Electronics GmbH	Associate	321,845	-	-	-	-	-
Mianyang Pulse Electronics Co., Ltd.	Pulse Electronics (Singapore) Pte. Ltd	Parent company	696,345	2.96	-	-	282,942	-
	Pulse Electronics Inc.	Parent company	109,599	1.31	-	-	56,588	-
Suining Pulse Electronics Co., Ltd.	Pulse Electronics (Singapore) Pte. Ltd	Parent company	394,954	6.35	-	-	305,372	-
Pulse Components Ltd.	Pulse Electronics (Singapore) Pte. Ltd	Parent company	519,636 (Note 2)	-	-	-	-	-
Pulse Electronics (Singapore) Pte. Ltd	Yageo Corporation	Ultimate parent company	3,143,800 (Note 2)	-	-	-	-	-
	Pulse System Electronics (India) Pte. Ltd	Subsidiary	166,621 (Note 2)	-	-	-	-	-
Maxtop Profits Limited	Pulse Components Ltd.	Associate	428,814 (Note 2)	-	-	-	-	-
	Acadia Electronics Co., Ltd	Parent company	287,658 (Note 2)	-	-	-	-	-
Pulse Finland Oy	Pulse Electronics Korea YH	Subsidiary	184,047 (Note 2)	-	-	-	-	-
TOKIN Corporation	TOKIN Hong Kong Ltd.	Subsidiary	694,151	6.57	-	-	292,613	-
	KEMET Electronics Corporation	Parent company	1,468,343 (Note 2)	-	-	-	247,084	-
	KEMET Electronics (Suzhou) Co., Ltd.	Associate	627,723 (Note 2)	-	-	-	140,398	-

(Continued)

Company Name	Related Party	Nature of Relationships	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
TOKIN Electronics (Xiamen) Corporation	TOKIN Corporation	Parent company	$ 381,437	3.77	$ -	-	$ 124,287	$ -
TOKIN Electronics (Vietnam) Co., Ltd.	TOKIN Corporation	Parent company	529,825	3.29	-	-	163,682	-
TOKIN Electronics (Thailand) Co., Ltd.	TOKIN Corporation	Parent company	1,046,414	4.34	-	-	339,564	-
KEMET de Mexico, S.A. de C.V.	KEMET Electronics Corporation	Parent company	1,578,974 (Note 2)	-	-	-	1,128,014	-
KEMET Electronics Corporation	KEMET Electronics Marketing (S) Pte Ltd.	Subsidiary	1,856,634 (Note 2)	-	-	-	1,818,984	-
KEMET Electronics Italia S.r.l.	KEMET Electronics Corporation	Parent company	111,448 (Note 2)	-	-	-	-	-
KEMET Electronics (Suzhou) Co., Ltd.	KEMET Electronics Corporation	Parent company	1,277,137 (Note 2)	-	-	-	487,336	-
KEMET Electronics GmbH	KEMET Electronics Corporation	Parent company	919,499 (Note 2)	-	-	-	61,402	-
P.T. KEMET Electronics Indonesia	KEMET Electronics Corporation	Parent company	201,392 (Note 2)	-	-	-	66,334	-
KEMET Electronics Portugal, S.A.	KEMET Electronics Corporation	Parent company	943,109 (Note 2)	-	-	-	125,159	-
KEMET Electronics Oy	KEMET Electronics Corporation	Parent company	277,598 (Note 2)	-	-	-	-	-
KEMET Electronics Macedonia DOOEL Skopje	KEMET Electronics Corporation	Parent company	255,245 (Note 2)	-	-	-	75,451	-
Evox Rifa Pte Ltd.	KEMET Electronics Marketing (S) Pte Ltd.	Associate	207,522 (Note 2)	-	-	-	-	-
KEMET Electronics Limited	KEMET Electronics Corporation	Parent company	398,225 (Note 2)	-	-	-	-	-
KEMET Electronics AB	KEMET Electronics Corporation	Parent company	222,141 (Note 2)	-	-	-	-	-
Shanghai Arcotronics Components & Machineries Co., Ltd.	KEMET Electronics Corporation	Parent company	199,851 (Note 2)	-	-	-	199,851	-
Chilisin Electronics Corp.	Chilisin International Ltd.	Subsidiary	3,143,800 (Note 2)	-	-	-	-	-
	Pulse Electronics (Singapore) Pte. Ltd	Associate	1,703,394	2.42	-	-	-	-
	Chilisin Electronics (Vietnam) Limited company	Subsidiary	159,588	2.72	-	-	117,391	-
Chilisin International Ltd.	Yageo Asia Electronics PTE. LTD.	Associate	4,393,029 (Note 2)	-	-	-	-	-

(Continued)

Company Name	Related Party	Nature of Relationships	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
Hunan Chilisin Electronics Technology Co., Ltd.	Chilisin Electronics Corp.	Parent company	$ 707,170	2.33	$ -	-	$ 277,860	$ -
	Mag. Layers International Co., Ltd.	Associate	363,401	1.89	-	-	78,573	-
Shenzhen Chilisin Electronics Co., Ltd.	Mag. Layers International Co., Ltd.	Associate	461,994	2.11	-	-	90,322	-
Dongguan Chilisin Electronics Co., Ltd.	Chilisin Electronics Corp.	Parent company	395,228	1.79	-	-	132,628	-
	Mag. Layers International Co., Ltd.	Associate	764,915 (Note 2)	-	-	-	-	-
Chilisin Electronics (Vietnam) Limited company	Chilisin Electronics Corp.	Parent company	765,275	1.05	-	-	765,275	-
	Shenzhen Chilisin Electronics Co., Ltd.	Associate	714,549	1.02	-	-	672,371	-
	Mag. Layers International Co., Ltd.	Associate	139,472	2.62	-	-	139,472	-
	Dongguan Chilisin Electronics Co., Ltd.	Associate	100,010	2.26	-	-	87,012	-
Mag. Layers International Co., Ltd.	Suining Pulse Electronics Co., Ltd.	Associate	736,301	2.89	-	-	361,609	-
	Chilisin Electronics Corp.	Parent company	656,698	2.77	-	-	223,451	-
Shin Yuan Electronics Productions (Kunshan) Co., Ltd.	Hunan Chilisin Electronics Technology Co., Ltd.	Associate	136,651	2.25	-	-	56,831	-
	Mag. Layers International Co., Ltd.	Parent company	106,625	2.32	-	-	22,072	-
Hispano Ferritas S.A.	Ferroxcube International Holding B.V.	Parent company	304,373 (Note 2)	-	-	-	-	-
Bothhand International Investment Co., Ltd.	Yageo Asia Electronics PTE. LTD.	Associate	401,246 (Note 2)	-	-	-	-	-
Mag Layers International Co., Ltd.	Yageo Asia Electronics PTE. LTD.	Associate	1,597,992 (Note 2)	-	-	-	-	-
Trendy Island Investment Limited	Yageo Asia Electronics PTE. LTD.	Associate	483,388 (Note 2)	-	-	-	-	-
SHIBAURA ELECTRONICS CO., LTD.	Fukushima Shibaura Electronics Co., Ltd.	Subsidiary	357,891	-	-	-	357,891	-
	Thai Shibaura Denshi Co., Ltd.	Subsidiary	175,784	-	-	-	175,784	-
	Shanghai Shibaura Electronics Co., Ltd.	Subsidiary	115,622	-	-	-	115,622	-
Tohoku Shibaura Electronics Co., Ltd.	SHIBAURA ELECTRONICS CO., LTD.	Parent company	386,654	-	-	-	386,654	-
Iwate Shibaura Electronics Co., Ltd.	SHIBAURA ELECTRONICS CO., LTD.	Parent company	380,774	-	-	-	380,774	-
Fukushima Shibaura Electronics Co., Ltd.	SHIBAURA ELECTRONICS CO., LTD.	Parent company	760,623	-	-	-	760,623	-
Kakunodate Shibaura Electronics Co., Ltd.	SHIBAURA ELECTRONICS CO., LTD.	Parent company	321,354	-	-	-	321,354	-
Aomori Shibaura Electronics Co., Ltd.	SHIBAURA ELECTRONICS CO., LTD.	Parent company	299,552	-	-	-	299,552	-
Thai Shibaura Denshi Co., Ltd.	SHIBAURA ELECTRONICS CO., LTD.	Parent company	116,150	-	-	-	116,150	-

Note 1: Including loans to subsidiaries were considered a component of investment.

Note 2: Including financing or other receivables.

Note 3: All intercompany transactions have been eliminated on consolidation.

(Concluded)

TABLE 6

YAGEO CORPORATION AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE (EXCLUDING INFORMATION ON INVESTMENT IN MAINLAND CHINA)
FOR THE YEAR ENDED DECEMBER 31, 2025
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Losses) of the Investee (Foreign Currency in Thousands)	Share of Profits/Losses of Investee (Foreign Currency in Thousands)	Note
				December 31, 2025 (Foreign Currency in Thousands)	December 31, 2024 (Foreign Currency in Thousands)	Shares	Percentage of Ownership	Carrying Value (Foreign Currency in Thousands)			
Yageo Corporation	Yageo Holding (Bermuda) Ltd.	Bermuda	Investment	US$ 87,158	US$ 187,158	90,732,477	100.00	$ 60,079,271	$ 82,560	$ 82,560	Subsidiary
	Kuo-Shin Investment Limited	New Taipei City	Investment	2,612,059	2,612,059	190,946,325	100.00	1,717,676	153,468	134,306	Subsidiary
	Brightking Holdings Ltd.	Cayman Islands	Investment	3,328,253	3,328,253	45,608,336	100.00	3,215,211	78,154	19,414	Subsidiary
	Yageo Corporation (South Asia)	Singapore	Selling passive components	SGD 780	SGD 780	-	100.00	1,232,132	112,300	112,300	Subsidiary
	Yageo Europe Holding B.V.	Netherlands	Investment	EUR 932,056	EUR 932,056	622,269,060	100.00	36,290,712	2,936,034	2,899,188	Subsidiary
	Yageo South Asia (M) Sdn. Bhd.	Malaysia	Selling passive components	-	-	-	100.00	5,946	1,098	1,098	Subsidiary
	Pulse Electronics Corporation	America	Investment	US$ 721,461	US$ 721,461	25,574,331	100.00	44,803,953	3,816,752	3,697,574	Subsidiary
	Yageo Holding Hungary LLC	Hungary	Investment	47,870,886	47,870,886	-	100.00	108,588,089	11,785,652	11,785,652	Subsidiary
	Chilisin Electronics Corp.	Taoyuan City	Manufacturing and selling passive components	23,050,490	23,050,490	814,130,620	100.00	32,008,543	1,384,614	1,355,585	Subsidiary
	Yageo USA (H.K.) Limited	Hong Kong	Selling passive components	HK$ 8,000	HK$ 8,000	-	100.00	1,406,663	128,820	128,820	Subsidiary
	XSemi Corporation	Taoyuan City	Designing, testing and selling integrated circuits for various applications	1,190,000	1,190,000	1,190,000,000	35.00	1,391,300	203,317	71,161	Subsidiary
	GTCL	Singapore	Investment	27,038	31,815	8,232,388	23.58	385,514	144,805	34,827	Associate
	Kaimei Electronic Corp.	New Taipei City	Manufacturing and selling capacitor	1,129,427	1,119,860	7,773,905	7.15	734,794	405,258	28,763	Associate
	Strong Components Co., Ltd.	Kaohsiung	Manufacturing and selling electronic components	79,384	79,384	6,530,000	31.42	131,995	5,925	2,437	Associate
	Advanced Power Electronics Co., Ltd.	Hsinchu	Design of electronic elements, integrated circuits, semi-conductors, and the testing service	28,610	28,610	346,000	0.29	29,324	678,956	1,979	Associate
	uPI Semiconductor Corp.	Hsinchu	Designing, researching, developing and selling of integrated circuits	5,196,654	5,196,654	21,009,000	19.92	5,211,771	692,687	81,028	Associate
	Yageo Holding Japan	Japan	Investment	JPY 500	-	-	100.00	86	(15)	(15)	Subsidiary
	Yageo Electronics Japan	Japan	Investment	JPY 35,400,000	-	-	100.00	7,242,946	54,532	54,532	Subsidiary
	ANPEC Electronics Corporation	Hsinchu	Research, development, production, manufacturing, and sales of power ICs, components and their modules, as well as wireless and network communication ICs and optoelectronic driver ICs.	3,868,463	-	16,738,837	22.24	3,929,356	951,236	60,893	Associate
Kuo-Shin Investment Limited	XSemi Corporation	Taoyuan City	Designing, testing and selling integrated circuits for various applications	510,000	510,000	510,000,000	15.00	596,271	203,317	30,498	Subsidiary
	GTCL	Singapore	Investment	42,580	43,647	1,838,954	5.27	86,116	144,805	7,780	Associate
	Kaimei Electronic Corp.	New Taipei City	Manufacturing and selling capacitor	347,458	347,458	5,428,440	5.00	419,034	405,285	20,244	Associate
	Advanced Power Electronics Co., Ltd.	Hsinchu	Design of electronic elements, integrated circuits, semi-conductors, and the testing service	19,881	19,881	242,000	0.20	20,766	678,956	1,385	Associate
	uPI Semiconductor Corp.	Hsinchu	Designing, researching, developing and selling of integrated circuits	128,872	2,754	657,000	0.62	129,473	692,687	604	Associate
	ANPEC Electronics Corporation	Hsinchu	Research, development, production, manufacturing, and sales of power ICs, components and their modules, as well as wireless and network communication ICs and optoelectronic driver ICs.	299,660	-	1,333,000	1.77	304,431	951,236	4,770	Associate

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Losses) of the Investee (Foreign Currency in Thousands)	Share of Profits/Losses of Investee (Foreign Currency in Thousands)	Note
				December 31, 2025 (Foreign Currency in Thousands)	December 31, 2024 (Foreign Currency in Thousands)	Shares	Percentage of Ownership	Carrying Value (Foreign Currency in Thousands)			
Yageo Holding (Bermuda) Ltd.	Yageo (Hong Kong) Limited	Hong Kong	Investment	HK$ 1,316,340	HK$ 1,316,340	1,030,499,458	100.00	US$ 203,531	US$ (5,930)	US$ (5,930)	Subsidiary
	Vitrohm Holding GmbH	Germany	Investment	EUR 15,849	EUR 15,849	1	100.00	US$ 15,504	US$ (724)	US$ (724)	Subsidiary
	Yageo Korea	Korea	Selling passive components	US$ 236	US$ 236	10,000	100.00	US$ 3,326	US$ 38	US$ 38	Subsidiary
	Yageo Japan (Note 2)	Japan	Selling passive components	-	US$ 339	-	-	-	-	-	Subsidiary
	Hsu Tai International (H.K.)	Hong Kong	Investment	US$ 2,400	US$ 2,400	1,000	100.00	US$ 1,010	US$ 36	US$ 36	Subsidiary
Brightking Holdings Ltd.	Brightking Enterprise (H.K.) Co., Ltd.	Hong Kong	Selling passive components	600,165	600,165	153,968,000	100.00	3,703,255	99,468	99,468	Subsidiary
Pulse Electronics Corporation	Pulse Electronics Inc.	Singapore	Selling passive components	US$ 1,500	US$ 1,500	1,500	100.00	US$ 244,270	US$ 94,306	US$ 94,306	Subsidiary
Pulse Electronics Inc.	Technical Singapore Holdings	Singapore	Investment	US$ 228,426	US$ 228,426	118,801,924	100.00	US$ 139,907	US$ 70,082	US$ 70,082	Subsidiary
Technical Singapore Holdings	Pulse Electronics (Singapore) Pte. Ltd	Singapore	Selling passive components	US$ 228,755	US$ 228,755	127,259,097	100.00	US$ 423,111	US$ 70,095	US$ 70,095	Subsidiary
Pulse Electronics (Singapore) Pte. Ltd	EGSTON Holding GmbH	Austria	Investment	US$ 22,030	US$ 22,030	-	100.00	US$ 104,909	US$ 11,464	US$ 11,464	Subsidiary
EGSTON Holding GmbH	EGSTON System Electronics Eggenburg GmbH	Austria	Selling passive components	US$ 41	US$ 41	1	100.00	US$ 32,366	US$ 2,620	US$ 2,620	Subsidiary
	EGSTON Automotive Eggenburg GmbH	Austria	Selling passive components	US$ 59	US$ 59	1	100.00	US$ 13,744	US$ 1,619	US$ 1,619	Subsidiary
	EGSTON Far East GmbH	Austria	Selling passive components	US$ 41	US$ 41	1	100.00	US$ 8,908	US$ 199	US$ 199	Subsidiary
	EGSTON System Electronic spol.s.r.o.	Czechia	Manufacturing and selling passive components	US$ 1,633	US$ 1,633	1	100.00	US$ 23,235	US$ 1,606	US$ 1,606	Subsidiary
	EGSTON Electronics (India) Pvt. Ltd.	India	Manufacturing and selling passive components	US$ 1,027	US$ 1,027	8,394,615	100.00	US$ 4,571	US$ 880	US$ 880	Subsidiary
Yageo Corporation (South Asia)	Ruiyi Technology (HongKong) Share Co., Limited	Hong Kong	Selling passive components	HK$ 30,561	HK$ 30,561	18,000,000	30.00	US$ 7,397	US$ 3,449	US$ 1,035	Associate
XSemi Corporation	Advanced Power Electronics Co., Ltd.	Hsinchu	Design of electronic elements, integrated circuits, semi-conductors, and the testing service	2,886,800	2,886,800	35,000,000	29.44	3,551,048	678,956	200,226	Associate
Yageo Europe Holding B.V.	Yageo Asia Electronics PTE. LTD.	Singapore	Investment	EUR 728	-	820,000	100.00	EUR 4,736	EUR 39,182	EUR 39,182	Subsidiary
	Yageo Electronics Holding (S) PTE. LTD.	Singapore	Investment	EUR 840,454	EUR 840,454	1,366,269,056	100.00	EUR 913,206	EUR 42,487	EUR 42,487	Subsidiary
Yageo Electronics Holding (S) PTE. LTD.	Yageo Electronics Investment (S) PTE. LTD.	Singapore	Investment	EUR 90,000	EUR 90,000	450,000,001	100.00	EUR 69,865	EUR (4,099)	EUR (4,099)	Subsidiary
	Ko-E Holding (Cayman)	Cayman Islands	Investment	US$ 5,543	US$ 5,543	6,800,500	97.15	EUR 73,258	EUR 19,532	EUR 18,975	Subsidiary
	YAGEO Holding France	France	Investment	EUR 509,010	EUR 509,010	509,010,000	100.00	EUR 529,966	EUR 10,931	EUR 10,931	Subsidiary
YAGEO Holding France	TMSS Holding	France	Investment	EUR 689,323	EUR 689,323	-	100.00	EUR 722,813	EUR 20,350	EUR 20,350	Subsidiary
TMSS Holding	TMSS France	France	Manufacturing and selling temperature sensor	EUR 65,000	EUR 65,000	-	100.00	EUR 381,285	EUR (2,877)	EUR (2,877)	Subsidiary
Yageo Electronics Investment (S) PTE. LTD.	YAGEO Nexensos GmbH	Germany	Manufacturing and selling temperature sensor	EUR 68,628	EUR 61,522	-	100.00	EUR 57,232	EUR (3,952)	EUR (3,952)	Subsidiary
	YAGEO Nexensos Malaysia Sdn. Bhd.	Malaysia	Manufacturing and selling temperature sensor	EUR 2,735	EUR 2,735	40,900,000	100.00	EUR (1,350)	EUR (760)	EUR (760)	Subsidiary
Ko-E Holding (Cayman)	Ko-E (H.K.) Limited	Hong Kong	Selling passive components	US$ 4,662	US$ 4,662	-	100.00	US$ 72,959	US$ 16,314	US$ 16,314	Subsidiary
	Ko-E Electronic (Hong Kong) Limited	Hong Kong	Selling passive components	US$ 646	US$ 646	5,000,000	100.00	US$ 10,687	US$ 5,939	US$ 5,939	Subsidiary
Brightking Enterprise (H.K.) Co., Ltd.	Ko-E Component Co., Ltd.	New Taipei City	Manufacturing and selling passive components	318,893	318,893	31,889,268	100.00	138,271	65,885	65,885	Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Losses) of the Investee (Foreign Currency in Thousands)	Share of Profits/Losses of Investee (Foreign Currency in Thousands)	Note
				December 31, 2025 (Foreign Currency in Thousands)	December 31, 2024 (Foreign Currency in Thousands)	Shares	Percentage of Ownership	Carrying Value (Foreign Currency in Thousands)			
Yageo Holding Hungary LLC	Yageo Holding Netherlands B.V.	Netherlands	Investment	$ -	$ -	1	100.00	$ -	US$ 3	US$ 3	Subsidiary
	KEMET Corporation	America	Selling passive components	US$ 1,636,052	US$ 1,636,052	1,000	100.00	US$ 3,329,379	US$ 365,128	US$ 365,128	Subsidiary
KEMET Corporation	KEMET Electronics Corporation	America	Manufacturing and selling passive components	US$ 291,946	US$ 291,946	1,000	100.00	US$ 2,272,107	US$ 259,681	US$ 259,681	Subsidiary
KEMET Electronics Corporation	TOKIN Corporation	Japan	Manufacturing and selling passive components	US$ 200,358	US$ 200,358	467,866,401	100.00	US$ 547,347	US$ 73,000	US$ 73,000	Subsidiary
TOKIN Corporation	NT Sales Co., Ltd.	Japan	Selling electronic components	JPY 297,335	JPY 297,335	264,000	33.00	US$ 3,945	US$ 931	US$ 307	Associate
Yageo Electronics Japan	Shibaura Electronics Co., Ltd (Note 5)	Japan	Manufacturing and selling temperature sensor	JPY 94,929,379	-	13,314,084	87.30	JPY 95,952,086	JPY 706,543	JPY 616,812	Subsidiary
Shibaura Electronics Co., Ltd	Tohoku Shibaura Electronics Co., Ltd. (Note 5)	Japan	Manufacturing and selling temperature sensor	JPY 298,729	-	78,900	99.25	JPY 2,209,464	JPY 155,748	JPY 154,579	Subsidiary
	Aomori Shibaura Electronics Co., Ltd. (Note 5)	Japan	Manufacturing and selling temperature sensor	JPY 170,000	-	3,400	100.00	JPY 1,587,621	JPY 58,164	JPY 58,164	Subsidiary
	Iwate Shibaura Electronics Co., Ltd. (Note 5)	Japan	Manufacturing and selling temperature sensor	JPY 255,358	-	300,600	100.00	JPY 1,951,927	JPY 51,873	JPY 51,873	Subsidiary
	Kakunodate Shibaura Electronics Co., Ltd. (Note 5)	Japan	Manufacturing and selling temperature sensor	JPY 130,000	-	2,600	100.00	JPY 1,722,878	JPY 210,922	JPY 210,922	Subsidiary
	Fukushima Shibaura Electronics Co., Ltd. (Note 5)	Japan	Manufacturing and selling temperature sensor	JPY 980,000	-	19,600	100.00	JPY 6,958,587	JPY 313,876	JPY 313,876	Subsidiary
	Thai Shibaura Denshi Co., Ltd. (Note 5)	Thailand	Manufacturing and selling temperature sensor	THB 411,000	-	4,110,000	100.00	JPY 7,900,017	JPY 356,214	JPY 356,214	Subsidiary
	Shibaura Electronics of America Corporation (Note 5)	America	Selling temperature sensor	US$ 200	-	1	100.00	JPY 53,083	JPY (35,045)	JPY (35,045)	Subsidiary
	Shibaura Electronics Europe GmbH (Note 5)	Germany	Selling temperature sensor	EUR 25	-	-	100.00	JPY 163,057	JPY (1,317)	JPY (1,317)	Subsidiary
	Shibaura Electronics Hong Kong Co., Ltd. (Note 5)	Hong Kong	Selling temperature sensor	HK$ 1,900	-	1,900,000	100.00	JPY 263,256	JPY 133,131	JPY 133,131	Subsidiary
	Shibaura Electronics Korea Co., Ltd. (Note 5)	Korea	Selling temperature sensor	KRW 400,000	-	80,000	100.00	JPY 96,446	JPY 3,668	JPY 3,668	Subsidiary
Chilisin Electronics Corp.	Chilisin International Ltd.	Samoa	Selling passive components	6,049,429	6,049,429	201,345,270	100.00	5,135,928	137,838	140,560	Subsidiary
	Chilisin Holding (Samoa) Ltd.	Samoa	Investment	244,045	244,045	7,280,000	100.00	431,040	12,001	12,001	Subsidiary
	Chilisin Holding (Hong Kong) Limited	Hong Kong	Investment	2,563,365	2,563,365	85,000,000	94.15	3,797,896	153,495	154,276	Subsidiary
	Ferroxcube Holding Limited B.V.	Netherlands	Investment	4,252,786	4,252,786	-	100.00	3,825,312	(15,584)	(13,822)	Subsidiary
	Mag. Layers Scientific-Technics Co., Ltd. (Note 3)	Taoyuan City	Manufacturing and selling passive components	-	12,383,969	-	-	-	(17,013)	(19,163)	Subsidiary
	Magic Technology Co., Ltd.	Taoyuan City	Selling passive components	1,428,863	1,429,883	68,429,351	100.00	1,036,118	(29,111)	(34,357)	Subsidiary
	Bothhand Enterprise Inc.	Taoyuan City	Manufacturing and selling passive components	1,966,333	2,500,000	55,792,718	100.00	1,461,696	35,488	33,539	Subsidiary
	Chilisin Technology Corporation (Note 4)	New Taipei City	Selling passive components	-	1,000	-	-	-	(15,927)	(15,927)	Subsidiary
	Mag. Layers International Co., Ltd. (Note 3)	The British Virgin Islands	Investment	736,428	-	24,500,000	100.00	2,323,806	140,902	96,791	Subsidiary
	Mag Layers USA, Inc. (Note 3)	America	Selling passive components	45,293	-	400,000	100.00	68,839	911	948	Subsidiary
Chilisin Holding (Samoa) Ltd.	Chilisin Holding (Hong Kong) Limited	Hong Kong	Investment	177,254	177,254	5,280,000	5.85	376,219	153,495	8,983	Subsidiary
Chilisin Holding (Hong Kong) Limited	Chilisin Electronics (Vietnam) Limited company	Vietnam	Manufacturing and selling passive components	2,563,365	2,563,365	102,000,000	100.00	4,017,022	146,384	146,384	Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Losses) of the Investee (Foreign Currency in Thousands)	Share of Profits/Losses of Investee (Foreign Currency in Thousands)	Note
				December 31, 2025 (Foreign Currency in Thousands)	December 31, 2024 (Foreign Currency in Thousands)	Shares	Percentage of Ownership	Carrying Value (Foreign Currency in Thousands)			
Ferroxcube International Holding B.V.	Ferroxcube Italia S.r.l.	Italy	Selling passive components	EUR 12	EUR 12	-	100.00	$ 47,012	$ 1,797	$ 1,797	Subsidiary
	Ferroxcube Deutschland GmbH	Germany	Selling passive components	EUR 50	EUR 50	-	100.00	196,003	5,987	5,987	Subsidiary
	Ferroxcube USA Inc.	America	Selling passive components	US$ 23	US$ 23	-	100.00	70,153	6,317	6,317	Subsidiary
	Hispano Ferritas S.A.	Spain	Selling passive components	EUR 9,063	EUR 9,063	-	100.00	45,124	5,326	5,326	Subsidiary
	Ferroxcube Polska Sp. Z.o.o.	Poland	Manufacturing and selling passive components	PLN 55,243	PLN 55,243	-	100.00	1,901,697	(41,918)	(41,918)	Subsidiary
	Ferroxcube Hong Kong Limited	Hong Kong	Selling passive components	HK$ 79,551	HK$ 79,551	-	67.00	633,042	45,214	30,293	Subsidiary
Ferroxcube Polska Sp. Z.o.o.	Ferroxcube Hong Kong Limited	Hong Kong	Selling passive components	HK$ 39,182	HK$ 39,182	-	33.00	311,797	45,214	14,921	Subsidiary
Mag. Layers Scientific-Technics Co., Ltd.	Mag. Layers International Co., Ltd. (Note 3)	The British Virgin Islands	Investment	-	736,428	-	-	-	140,902	57,954	Subsidiary
	Mag Layers USA, Inc. (Note 3)	America	Selling passive components	-	45,293	-	-	-	911	(37)	Subsidiary
Magic Technology Co., Ltd.	Magic Technology (Samoa) Co., Ltd.	Samoa	Investment	623,834	623,834	-	100.00	963,489	(43,656)	(43,656)	Subsidiary
Magic Technology (Samoa) Co., Ltd.	Classic Magic Developments Limited (Samoa)	Samoa	Selling passive components	230,430	230,430	-	100.00	274,140	4,732	4,732	Subsidiary
	Trendy Island Investment Limited	Samoa	Investment	392,466	392,466	-	100.00	480,153	(52,316)	(52,316)	Subsidiary
Bothhand Enterprise Inc.	Bothhand International Investment Co., Ltd.	The British Virgin Islands	Investment	60,829	60,829	1,000,000	100.00	1,352,378	43,996	43,996	Subsidiary

Note 1: For information on investments in mainland China, refer to Table 7.

Note 2: Yageo Japan was dissolved and liquidated in February 2025.

Note 3: The Group's subsidiary, Mag. Layers Scientific-Technics Co., Ltd., was merged with Chilisin Electronics Corp. through a simplified merger, with Chilisin Electronics Corp. as the surviving company and Mag. Layers Scientific-Technics Co., Ltd. as the dissolved company. The merger date is on March 31, 2025.

Note 4: The Group's subsidiary, Chilisin Technology Corporation, was merged with Chilisin Electronics Corp. through a simplified merger, with Chilisin Electronics Corp. as the surviving company and Chilisin Technology Corporation as the dissolved company. The merger date is on June 30, 2025.

Note 5: In October 2025, the Group acquired 87.30% equity interest of Shibaura Electronics Co., Ltd. through a tender offer.

Note 6: All the above investment account and share of profit or loss relevant to subsidiaries have been eliminated upon consolidation.

(Concluded)

YAGEO CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2025
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital (Foreign Currency in Thousands) (Note 3)	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2025 (Foreign Currency in Thousands) (Note 3)	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2025 (Foreign Currency in Thousands) (Note 3)	Net Income (Losses) of the Investee Company (Foreign Currency in Thousands) (Note 4)	Percentage of Ownership	Share of Profits/Losses (Foreign Currency in Thousands) (Note 4)	Carrying Amount as of December 31, 2025 (Foreign Currency in Thousands) (Note 3)	Accumulated Inward Remittance of Earnings as of December 31, 2025 (Foreign Currency in Thousands) (Note 3)
					Outflow (Note 3)	Inflow (Note 3)						
Yageo Electronics (Dongguan) Co., Ltd.	Manufacturing and selling passive components	US$ 53,250 ($ 1,674,074)	Indirect: Through a company registered in a third region	US$ 46,510 ($ 1,462,181)	$ -	$ -	US$ 46,510 ($ 1,462,181)	HK$ 29,104 US$ 8,357 ($ 377,126)	100.00	HK$ 29,354 US$ 9,103 ($ 401,395)	US$ 100,706 ($ 3,165,995)	US$ 61,915 ($ 1,946,484)
Yageo Electronics (China) Co., Ltd.	Manufacturing and selling passive components	US$ 301,977 ($ 9,493,553)	Indirect: Through a company registered in a third region	US$ 204,977 ($ 6,444,067)	-	-	US$ 204,977 ($ 6,444,067)	HK$ 112,472 US$ 19,726 ($ 1,065,327)	100.00	HK$ 135,272 US$ 19,726 ($ 1,156,557)	US$ 402,205 ($ 12,644,521)	US$ 117,160 ($ 3,683,276)
Yageo Components (Suzhou) Co., Ltd.	Manufacturing and selling passive components	US$ 5,000 ($ 157,190)	Indirect: Through a company registered in a third region	US$ 5,000 ($ 157,190)	-	-	US$ 5,000 ($ 157,190)	HK$ 436 US$ 110 ($ 5,176)	100.00	HK$ 443 US$ 125 ($ 5,672)	US$ 7,191 ($ 226,071)	-
Yageo (Suzhou) Trade Co., Ltd.	Selling passive components	US$ 5,000 ($ 157,190)	Indirect: Through a company registered in a third region	US$ 5,000 ($ 157,190)	-	-	US$ 5,000 ($ 157,190)	HK$ 38,103 US$ 9,995 ($ 464,226)	100.00	HK$ 38,103 US$ 9,995 ($ 464,226)	US$ 35,602 ($ 1,119,256)	-
Suzhou Qiyixin Electronics Co., Ltd. (Note 19)	Selling passive components	US$ 2,000 ($ 62,876)	Indirect: Through a company registered in a third region	US$ 2,000 ($ 62,876)	-	-	US$ 2,000 ($ 62,876)	RMB 247 ($ 1,072)	-	-	-	-
Yageo (ShenZhen) Modern Logistics Co., Ltd.	Selling passive components	RMB 5,000 ($ 22,498)	Indirect: Through a company registered in a third region	-	-	-	-	US$ (333) ($ (10,387))	100.00	US$ (333) ($ (10,387))	US$ 373 ($ 11,726)	-
Compostar Technology (Dongguan) Co., Ltd. (Note 7)	Manufacturing and selling passive components	US$ 1,500 ($ 47,157)	Indirect: Through a company registered in a third region	US$ 1,164 ($ 36,594)	-	-	US$ 1,164 ($ 36,594)	-	-	-	-	-
Compostar Technology (Suzhou) Co., Ltd. (Note 5)	Manufacturing and selling passive components	US$ 5,150 ($ 161,906)	Indirect: Through a company registered in a third region	US$ 5,150 ($ 161,906)	-	-	US$ 5,150 ($ 161,906)	-	-	-	-	-
Guo Chuang Electronics (Dongguan) Co., Ltd. (Note 8)	Manufacturing and selling passive components	US$ 1,709 ($ 53,728)	Indirect: Through a company registered in a third region	US$ 789 ($ 24,805)	-	-	US$ 789 ($ 24,805)	-	-	-	-	-
Ko-E Technology (Shenzhen) Co., Ltd.	Selling passive components	US$ 3,500 ($ 110,033)	Indirect: Through a company registered in a third region	US$ 3,150 ($ 99,030)	-	-	US$ 3,150 ($ 99,030)	HK$ 103,379 ($ 413,650)	97.15	HK$ 100,433 ($ 401,861)	HK$ 519,427 ($ 2,098,070)	-
Guo Ray Electronics Co., Ltd. (Note 7)	Manufacturing and selling passive components	US$ 1,000 ($ 31,438)	Indirect: Through a company registered in a third region	US$ 460 ($ 14,461)	-	-	US$ 460 ($ 14,461)	-	-	-	-	-
Chen-Xin Electronic (Chiao-Tao) Co., Ltd. (Note 5)	Manufacturing and selling passive components	HK$ 1,000 ($ 4,039)	Indirect: Through a company registered in a third region	US$ 59 ($ 1,855)	-	-	US$ 59 ($ 1,855)	-	-	-	-	-
Chen Xin (Dongguan) (Note 5)	Manufacturing and selling passive components	US$ 1,000 ($ 31,438)	Indirect: Through a company registered in a third region	US$ 460 ($ 14,461)	-	-	US$ 460 ($ 14,461)	-	-	-	-	-
Bestbright Electronics Co., Ltd.	Manufacturing and selling passive components	342,073	Indirect: Through a company registered in a third region	US$ 110,301 ($ 3,467,643)	-	-	US$ 110,301 ($ 3,467,643)	US$ 5,295 ($ 165,162)	100.00	US$ 5,295 ($ 165,162)	US$ 25,740 ($ 809,214)	-
Brightking (Shenzhen) Co., Ltd.	Selling passive components	94,380	Indirect: Through a company registered in a third region	-	-	-	-	(5,474)	100.00	(5,474)	157,981	-
Brightking (Shanghai) Co., Ltd. (Note 17)	Selling passive components	29,249	Indirect: Through a company registered in a third region	-	-	-	-	-	-	-	-	-
Huizhou Lien Shun Electronics Co., Ltd. (Note 10)	Manufacturing and selling passive components	-	Indirect: Through a company registered in a third region	US$ 1,603 ($ 50,395)	-	-	US$ 1,603 ($ 50,395)	-	-	-	-	-

(Continued)

Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital (Foreign Currency in Thousands) (Note 3)	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2025 (Foreign Currency in Thousands) (Note 3)	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2025 (Foreign Currency in Thousands) (Note 3)	Net Income (Losses) of the Investee Company (Foreign Currency in Thousands) (Note 4)	Percentage of Ownership	Share of Profits/Losses (Foreign Currency in Thousands) (Note 4)	Carrying Amount as of December 31, 2025 (Foreign Currency in Thousands) (Note 3)	Accumulated Inward Remittance of Earnings as of December 31, 2025 (Foreign Currency in Thousands) (Note 3)
					Outflow (Note 3)	Inflow (Note 3)						
Pulse Electronics (Dongguan) Co., Ltd.	Manufacturing and selling passive components	HK$ 197,161 ($ 796,373)	Indirect: Through a company registered in a third region	US$ 383,032 ($ 12,041,760)	$ -	$ -	US$ 383,032 ($ 12,041,760)	$ (15,524)	100.00	$ (15,524)	$ 2,729,555	$ -
Mian Yang Pulse Electronics Co., Ltd.	Manufacturing and selling passive components	US$ 2,100 ($ 66,020)	Indirect: Through a company registered in a third region	US$ 37,012 ($ 1,163,583)	-	-	US$ 37,012 ($ 1,163,583)	137,394	100.00	137,394	590,661	-
Suining Pulse Electronics Co., Ltd.	Manufacturing and selling passive components	US$ 500 ($ 15,719)	Indirect: Through a company registered in a third region	US$ 37,445 ($ 1,177,196)	-	-	US$ 37,445 ($ 1,177,196)	618,711	100.00	618,711	1,038,049	-
Pulse (Suzhou) Wireless Products Co., Ltd.	Manufacturing and selling passive components	US$ 25,300 ($ 795,381)	Indirect: Through a company registered in a third region	US$ 21,788 ($ 684,971)	-	-	US$ 21,788 ($ 684,971)	(66,992)	100.00	(66,992)	44,080	-
Pulse Electronics (ShenZhen) Co., Ltd.	Manufacturing and selling passive components	US$ 650 ($ 20,435)	Indirect: Through a company registered in a third region	US$ 3,533 ($ 111,070)	-	-	US$ 3,533 ($ 111,070)	63,491	100.00	63,491	75,047	-
Shengsheng Technology (Suzhou) Co., Ltd. (Note 9)	Manufacturing and selling passive components	US$ 9,000 ($ 282,942)	Indirect: Through a company registered in a third region	US$ 9,656 ($ 303,565)	-	-	US$ 9,656 ($ 303,565)	-	-	-	-	-
EGSTON Electronics Zhuhai Ltd.	Manufacturing and selling passive components	US$ 2,340 ($ 73,565)	Indirect: Through a company registered in a third region	US$ 19,748 ($ 620,838)	-	-	US$ 19,748 ($ 620,838)	8,451	100.00	8,451	261	-
KEMET Electronics (Suzhou) Co., Ltd.	Manufacturing and selling passive components	US$ 26,667 ($ 838,357)	Indirect: Through a company registered in a third region	US$ 208,750 ($ 6,562,683)	-	-	US$ 208,750 ($ 6,562,683)	US$ 10,463 ($ 326,352)	100.00	US$ 10,463 ($ 326,352)	US$ 130,298 ($ 4,096,324)	US$ 5,395 ($ 169,608)
Shanghai Arcotronics Components & Machineries Co., Ltd.	Manufacturing and selling passive components	RMB 32,600 ($ 146,684)	Indirect: Through a company registered in a third region	-	-	-	-	US$ 5,526 ($ 172,357)	100.00	US$ 5,526 ($ 172,357)	US$ 30,909 ($ 971,720)	-
KEMET Jianghai Electronics Components Co., Ltd.	Manufacturing and selling passive components	US$ 22,000 ($ 691,636)	Indirect: Through a company registered in a third region	US$ 22,000 ($ 691,636)	-	-	US$ 22,000 ($ 691,636)	US$ (1,043) ($ (32,545))	30.00	US$ (348) ($ (10,868))	US$ 257 ($ 8,074)	-
TOKIN Electronics (Xiamen) Corporation	Manufacturing and selling passive components	US$ 31,000 ($ 974,578)	Indirect: Through a company registered in a third region	US$ 57,825 ($ 1,817,902)	-	-	US$ 57,825 ($ 1,817,902)	US$ 4,791 ($ 149,436)	100.00	US$ 4,791 ($ 149,436)	US$ 44,665 ($ 1,404,179)	-
Shenzhen Ruiyi Electronics Co., Ltd.	Selling passive components	RMB 7,492 ($ 33,710)	Indirect: Through a company registered in a third region	-	-	-	-	US$ 446 ($ 13,912)	30.00	US$ 134 ($ 4,180)	US$ 2,380 ($ 74,822)	-
TESE China Co., Ltd.	Manufacturing and selling temperature sensor	US$ 38,250 ($ 1,202,504)	Indirect: Through a company registered in a third region	US$ 40,050 ($ 1,259,092)	-	-	US$ 40,050 ($ 1,259,092)	RMB 9,950 ($ 43,178)	100.00	RMB 9,950 ($ 43,178)	RMB 44,190 ($ 198,833)	-
Dongguan Shibaura Electronics Co., Ltd.	Manufacturing and selling temperature sensor	JPY 300,000 ($ 60,240)	Indirect: Through a company registered in a third region	-	-	-	JPY 300,000 ($ 60,240)	JPY 20,727 ($ 4,320)	100.00	JPY 20,727 ($ 4,320)	JPY 1,605,856 ($ 322,456)	-
Shanghai Shibaura Electronics Co., Ltd.	Manufacturing and selling temperature sensor	JPY 580,000 ($ 116,464)	Indirect: Through a company registered in a third region	-	-	-	JPY 580,000 ($ 116,464)	JPY 82,127 ($ 17,115)	100.00	JPY 82,127 ($ 17,115)	JPY 2,097,899 ($ 421,258)	-
Dongguan Chilisin Electronics Co., Ltd.	Manufacturing and selling passive components	HK$ 454,302 ($ 1,835,017)	Indirect: Through a company registered in a third region	US$ 63,949 ($ 2,010,429)	-	-	US$ 63,949 ($ 2,010,429)	US$ (3,400) ($ (106,051))	100.00	US$ (3,400) ($ (106,051))	US$ 69,786 ($ 2,193,937)	-
Chilisin Electronics (Su Zhou) Co., Ltd. (Note 11)	Manufacturing and selling passive components	US$ 5,850 ($ 183,912)	Indirect: Through a company registered in a third region	US$ 5,272 ($ 165,741)	-	-	US$ 5,272 ($ 165,741)	-	-	-	-	-
Chilisin Electronics (Henan) Co., Ltd. (Note 11)	Manufacturing and selling passive components	US$ 4,000 ($ 125,752)	Indirect: Through a company registered in a third region	US$ 4,000 ($ 125,752)	-	-	US$ 4,000 ($ 125,752)	-	-	-	-	-
Dongguan CNA Electronics Co., Ltd.	Manufacturing and selling passive components	US$ 1,000 ($ 31,438)	Indirect: Through a company registered in a third region	US$ 500 ($ 15,719)	-	-	US$ 500 ($ 15,719)	US$ (503) ($ (15,680))	50.00	US$ (251) ($ (7,840))	US$ 884 ($ 27,803)	-
Dongguan Lianmao Electronics Co., Ltd. (Note 13)	Selling passive components	US$ 200 ($ 6,288)	Indirect: Through a company registered in a third region	US$ 200 ($ 6,288)	-	-	US$ 200 ($ 6,288)	-	-	-	-	-
Hunan Chilisin Electronics Technology Co., Ltd.	Manufacturing and selling passive components	US$ 69,000 ($ 2,169,222)	Indirect: Through a company registered in a third region	US$ 69,000 ($ 2,169,222)	-	-	US$ 69,000 ($ 2,169,222)	US$ 3,886 ($ 121,206)	100.00	US$ 3,886 ($ 121,206)	US$ 74,900 ($ 2,354,708)	-
Shenzhen Chilisin Electronics Co., Ltd.	Selling passive components	US$ 900 ($ 28,294)	Indirect: Through a company registered in a third region	US$ 900 ($ 28,294)	-	-	US$ 900 ($ 28,294)	US$ 1,844 ($ 57,520)	100.00	US$ 1,844 ($ 57,520)	US$ 2,937 ($ 92,343)	-

(Continued)

Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital (Foreign Currency in Thousands) (Note 3)	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2025 (Foreign Currency in Thousands) (Note 3)	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2025 (Foreign Currency in Thousands) (Note 3)	Net Income (Losses) of the Investee Company (Foreign Currency in Thousands) (Note 4)	Percentage of Ownership	Share of Profits/Losses (Foreign Currency in Thousands) (Note 4)	Carrying Amount as of December 31, 2025 (Foreign Currency in Thousands) (Note 3)	Accumulated Inward Remittance of Earnings as of December 31, 2025 (Foreign Currency in Thousands) (Note 3)
					Outflow (Note 3)	Inflow (Note 3)						
Yuanling Country Xianghua Electronic Technology Co., Ltd.	Manufacturing and selling passive components	RMB 15,000 ($ 67,493)	Indirect: Through a company in mainland China	$ -	$ -	$ -	$ -	$ -	49.90	$ -	$ -	$ -
Mag. Layers International Co., Ltd.	Manufacturing and selling passive components	US$ 28,500 ($ 895,983)	Indirect: Through a company registered in a third region	US$ 24,500 ($ 770,231)	-	-	US$ 24,500 ($ 770,231)	US$ 9,613 ($ 299,855)	100.00	US$ 9,613 ($ 299,855)	US$ 47,799 ($ 1,502,703)	-
Shin Yuan Electronics Productions (Kunshan) Co., Ltd.	Manufacturing and selling passive components	RMB 41,446 ($ 186,486)	Indirect: Through a company in mainland China	-	-	-	-	RMB 14,545 ($ 63,118)	100.00	RMB 12,709 ($ 55,153)	RMB 227,682 ($ 1,024,456)	-
Ferroxcube Electronics (Dongguan) Limited	Manufacturing and selling passive components	US$ 22,300 ($ 701,067)	Indirect: Through a company registered in a third region	US$ 21,122 ($ 664,033)	-	-	US$ 21,122 ($ 664,033)	EUR 502 ($ 17,675)	100.00	EUR 502 ($ 17,675)	EUR 14,824 ($ 546,566)	-
Magic Electronic Technology (Shenzhen) Co., Ltd. (Note 18)	Manufacturing and selling passive components	US$ 1,287 ($ 40,461)	Indirect: Through a company registered in a third region	US$ 1,287 ($ 40,461)	-	-	US$ 1,287 ($ 40,461)	US$ (197) ($ (6,133))	-	US$ (197) ($ (6,133))	-	-
Magic Trade (Shenzhen) Co., Ltd.	Selling passive components	US$ 79 ($ 2,484)	Indirect: Through a company registered in a third region	US$ 79 ($ 2,484)	-	-	US$ 79 ($ 2,484)	US$ (584) ($ (18,223))	100.00	US$ (584) ($ (18,223))	US$ 1,300 ($ 40,854)	-
Magic Electronic Technology (Hunan) Co., Ltd.	Manufacturing and selling passive components	US$ 1,000 ($ 31,438)	Indirect: Through a company registered in a third region	US$ 1,000 ($ 31,438)	-	-	US$ 1,000 ($ 31,438)	US$ 323 ($ 10,090)	100.00	US$ 323 ($ 10,090)	US$ 1,682 ($ 52,868)	-
Magic Electronic Technology (Chongqing) Co., Ltd.	Manufacturing and selling passive components	US$ 13,000 ($ 408,694)	Indirect: Through a company registered in a third region	US$ 13,000 ($ 408,694)	-	-	US$ 13,000 ($ 408,694)	US$ (424) ($ (13,221))	100.00	US$ (424) ($ (13,221))	US$ 14,063 ($ 442,098)	-
Bothhand Enterprise (Guangzhou) Inc. (Note 12)	Manufacturing and selling passive components	-	Indirect: Through a company registered in a third region	HK$ 5,764 ($ 23,282)	-	-	HK$ 5,764 ($ 23,282)	-	-	-	-	-
Kaiping Bothhand Electronics Co., Ltd. (Note 14)	Manufacturing and selling passive components	-	Indirect: Through a company registered in a third region	US$ 879 HK$ 34,609 ($ 167,427)	-	-	US$ 879 HK$ 34,609 ($ 167,427)	-	-	-	-	-
Guangzhou Bothhand Electronics Co., Ltd.	Manufacturing and selling passive components	US$ 2,000 ($ 62,876)	Indirect: Through a company registered in a third region	US$ 2,000 ($ 62,876)	-	-	US$ 2,000 ($ 62,876)	RMB (1,943) ($ (8,433))	100.00	RMB (1,943) ($ (8,433))	RMB 22,906 ($ 103,064)	-
Deyang Bothhand Electronics Co., Ltd.	Manufacturing and selling passive components	US$ 5,000 ($ 157,190)	Indirect: Through a company registered in a third region	-	-	-	-	RMB 12,592 ($ 54,641)	100.00	RMB 12,592 ($ 54,641)	RMB 65,167 ($ 293,218)	-
Guangzhou Chenghan Electronic Technology Co., Ltd. (Note 20)	Manufacturing and selling passive components	RMB 25,988 ($ 116,933)	Indirect: Through a company in mainland China	-	-	-	-	RMB 37 ($ 159)	-	RMB 37 ($ 159)	-	-
Deyang Shisheng Electronics Co., Ltd. (Note 16)	Manufacturing and selling passive components	RMB 5,000 ($ 22,498)	Indirect: Through a company in mainland China	-	-	-	-	-	-	-	-	-
Deyang Hongyi Electronics Co., Ltd.	Manufacturing and selling passive components	RMB 30,000 ($ 134,985)	Indirect: Through a company in mainland China	-	-	-	-	RMB 4,846 ($ 21,031)	51.00	RMB 2,472 ($ 10,726)	RMB 43,879 ($ 197,435)	-
Hunan Bothhand Electronics Co., Ltd. (Note 15)	Manufacturing and selling passive components	-	Indirect: Through a company in mainland China	-	-	-	-	-	-	-	-	-
Magic (Suzhou) Photoelectric Technology., Ltd. (Note 11)	Manufacturing and selling passive components	-	Direct investment in mainland China	US$ 400 ($ 12,575)	-	-	US$ 400 ($ 12,575)	-	-	-	-	-

Accumulated Investment in Mainland China as of December 31, 2025 (US$ in Thousands) (Note 3)	Investment Amounts Authorized by Investment Commission, MOEA (US$ in Thousands) (Note 3)	Upper Limit on Investment
$45,356,773 (US$1,442,738)	$58,421,760 (US$1,858,317) (Notes 1 and 21)	(Note 2)

(Continued)

Note 1: Investment Commission of MOEA approved the transfer of earnings to capital of Yageo Electronics (Dongguan) Co., Ltd. and Yageo Electronics (China) Co., Ltd. amounting to US$6,740 thousand and US$97,000 thousand, respectively.

Note 2: Referred to under Order No. 11351008640 issued by the MOEA on May 23, 2024 the Company obtained the operational headquarters certification documents issued by the Industrial Bureau of the MOEA with validity period from May 15, 2024 to May 14, 2027. Therefore, the investment in mainland China is not restricted.

Note 3: The currency exchange rates on December 31, 2025, of NTD to RMB, HKD, USD, EUR and JPY, which were 1: 4.4995, 1: 4.0392, 1: 31.4380, 1: 36.8705 and 1: 0.2008, respectively.

Note 4: The currency exchange rates in 2025, of NTD to RMB, HKD, USD, EUR and JPY, which were 1: 4.3395, 1: 4.0013, 1: 31.1920, 1: 35.2410 and 1: 0.2084, respectively.

Note 5: Compostar Technology (Suzhou) Co., Ltd., Chen-Xin Electronic (Chiao-Tao) Co., Ltd. and Chen Xin (Dongguan) have been liquidated and the liquidation was approved by Investment Commission of MOEA.

Note 6: All the above investment account and share of profit or loss relevant to subsidiaries have been eliminated on consolidation.

Note 7: Compostar Technology (Dongguan) Co., Ltd. and Guo Ray Electronics Co., Ltd. were cancelled in the third quarter of 2019.

Note 8: Guo Chuang Electronics (Dongguan) Co., Ltd. was cancelled in March 2021.

Note 9: Shengsheng Technology (Suzhou) Co., Ltd. was cancelled in September 2021.

Note 10: Huizhou Lien Shun Electronics Co., Ltd. was dissolved and liquidated in September 2021.

Note 11: Chilisin Electronics (Henan) Co., Ltd., Chilisin Electronics (Su Zhou) Co., Ltd., Magic (Suzhou) Photoelectric Technology., Ltd., Ltd., Magic Electronic Technology (Dongguan) Co., Ltd. and Kunshan Taijun Electronics Co., Ltd. were liquidated in May 2020, June 2020, November 2020, January 2021 and January 2021, respectively.

Note 12: Bothhand Enterprise (Guangzhou) Inc. was liquidated in January 2011, but the remaining capital stock has not yet been remitted back to Taiwan.

Note 13: Dongguan Lianmao Electronics Co., Ltd. was dissolved and liquidated in the fourth quarter of 2021.

Note 14: Kaiping Bothhand Electronics Co., Ltd. was sold in July 2021 and its stock was transferred in October 2021.

Note 15: Hunan Bothhand Electronics Co., Ltd. was liquidated in August 2022, but the remaining capital stock has not yet been remitted back to Taiwan.

Note 16: Deyang Shisheng Electronics Co., Ltd. was dissolved and liquidated in the second quarter of 2023.

Note 17: Brightking (Shanghai) Co., Ltd. was dissolved and liquidated in the third quarter of 2024.

Note 18: Magic Electronic Technology (Shenzhen) Co., Ltd. was dissolved and liquidated in the second quarter of 2025.

Note 19: Yageo (Suzhou) Trade Co., Ltd. and Suzhou Qiyixin Electronics Co., Ltd. carried out a simple merger in the third quarter of 2025, with Yageo (Suzhou) Trade Co., Ltd. as the surviving company and Suzhou Qiyixin Electronics Co., Ltd. as the dissolved company. The merger base date is July 31, 2025.

Note 20: Guangzhou Chenghan Electronic Technology Co., Ltd. was dissolved and liquidated in the fourth quarter of 2025.

Note 21: The Company’s subsidiaries, Chilisin Electronics Corp., Bothhand Enterprise Inc. and Magic Technology Co., Ltd., have transferred part of their investments in mainland China to the Company during 2025.

(Concluded)

YAGEO CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2025
(Amounts in Thousands of New Taiwan Dollars)

No.	Company Name	Counterparty	Nature of Relationship (Note 1)	Intercompany Transactions			
				Financial Statements Item	Amount	Terms	Percentage of Consolidated Net Revenue or Total Assets
0	Yageo Corporation	Yageo Corporation (South Asia)	a.	Sales	$ 1,436,999	T/T 90 days	1
		Yageo Europe Holding B.V.	a.	Sales	1,510,594	Offset account T/T 45 days	1
		Yageo USA (H.K.) Limited	a.	Sales	20,666,562	Offset account T/T 90 days	16
		Yageo Electronics (China) Co., Ltd.	a.	Sales	2,593,144	T/T 90 days	2
		Yageo Electronics (Dongguan) Co., Ltd.	a.	Sales	3,302,877	Offset account T/T 90 days	2
		YAGEO Electronics Japan LLC	a.	Receivables from related parties	8,871,459	Financing	2
1	Yageo Electronics (China) Co., Ltd.	Yageo Corporation	b.	Sales	12,631,016	T/T 90 days	10
2	Yageo USA (H.K.) Limited	Yageo Electronics (Dongguan) Co., Ltd.	c.	Sales	3,991,321	T/T 90 days	3
		Yageo (Suzhou) Trade Co., Ltd.	c.	Sales	10,974,061	T/T 90 days	8
		Yageo (Suzhou) Trade Co., Ltd.	c.	Receivables from related parties	4,162,487	T/T 90 days	1
3	Yageo (Suzhou) Trade Co., Ltd.	Ko-E Technology (Shenzhen) Co., Ltd.	c.	Sales	10,470,398	T/T 65 days	8
4	Yageo Electronics (Dongguan) Co., Ltd.	Yageo Corporation	b.	Sales	9,061,137	Offset account T/T 90 days	7
5	Yageo Holding (Bermuda) Ltd.	Yageo Corporation	b.	Receivables from related parties	12,575,200	Financing	3
		Yageo USA (H.K.) Limited	c.	Receivables from related parties	6,230,458	Financing	2
		Yageo Europe Holding B.V.	c.	Receivables from related parties	6,376,959	Financing	2
		Yageo Asia Electronics PTE. LTD.	c.	Receivables from related parties	15,090,240	Equity transactions	4
6	Yageo Electronics Holding (S) PTE. LTD.	Yageo Holding France	a.	Receivables from related parties	8,060,700	Financing	2
7	EGSTON System Electronic spol.s.r.o.	EGSTON System Electronics Eggenburg GmbH	c.	Sales	1,357,112	T/T 30 days	1
		EGSTON Automotive Eggenburg GmbH	c.	Sales	1,332,436	T/T 30 days	1
8	Mianyang Pulse Electronics Co., Ltd.	Pulse Electronics (Singapore) Pte. Ltd.	b.	Sales	1,927,147	T/T 90 days	1
9	Suining Pulse Electronics Co., Ltd.	Pulse Electronics (Singapore) Pte. Ltd.	b.	Sales	2,320,396	T/T 90 days	2
10	KEMET Electronics (Suzhou) Co., Ltd.	KEMET Electronics Corporation	b.	Sales	2,015,284	Net 60 days	2
11	KEMET Electronics Corporation	KEMET Electronics Marketing (S) Pte Ltd.	a.	Sales	3,428,968	Net 60 days	3
12	TOKIN Corporation	TOKIN Hong Kong Ltd.	a.	Sales	4,460,924	T/T 90 days	3

(Continued)

No.	Company Name	Counterparty	Nature of Relationship (Note 1)	Intercompany Transactions			
				Financial Statements Item	Amount	Terms	Percentage of Consolidated Net Revenue or Total Assets
13	TOKIN Electronics (Xiamen) Corporation	TOKIN Corporation	b.	Sales	$ 1,472,886	Net 80 days	1
14	TOKIN Electronics (Vietnam) Co., Ltd.	TOKIN Corporation	b.	Sales	1,642,976	Net 50 days	1
15	TOKIN Electronics (Thailand) Co., Ltd.	TOKIN Corporation	b.	Sales	3,996,319	T/T 80 days	3
16	Chilisin International Ltd.	Yageo Asia Electronics PTE. LTD.	c.	Receivables from related parties	4,393,029	Equity transactions	1
17	Chilisin Electronics Corp.	Pulse Electronics (Singapore) Pte. Ltd.	c.	Sales	5,563,927	T/T 120 days	4
18	Mag. Layers International Co., Ltd.	Suining Pulse Electronics Co., Ltd.	c.	Sales	1,821,114	T/T 120 days	1
		Chilisin Electronics Corp.	b.	Sales	1,393,104	T/T 120 days	1
19	Hunan Chilisin Electronics Technology Co., Ltd.	Chilisin Electronics Corp.	b.	Sales	1,471,575	T/T 120 days	1

Note 1: The flow of related-party transactions is as follows:

a. From the parent company to its subsidiary.
b. From a subsidiary to its parent company.
c. Between subsidiaries.

Note 2: The percentage calculation is based on the consolidated total operating revenues or total assets. For balance sheet items, each item’s period-end balance is shown as a percentage to consolidated total assets as of December 31, 2025. For profit or loss items, cumulative amounts are shown as a percentage to consolidated total operating revenues for the year ended December 31, 2025.

Note 3: The above table only discloses each of the related-party transactions which amount to at least 1% of total revenue or total assets, while the reverse flow of transactions is not additionally disclosed.

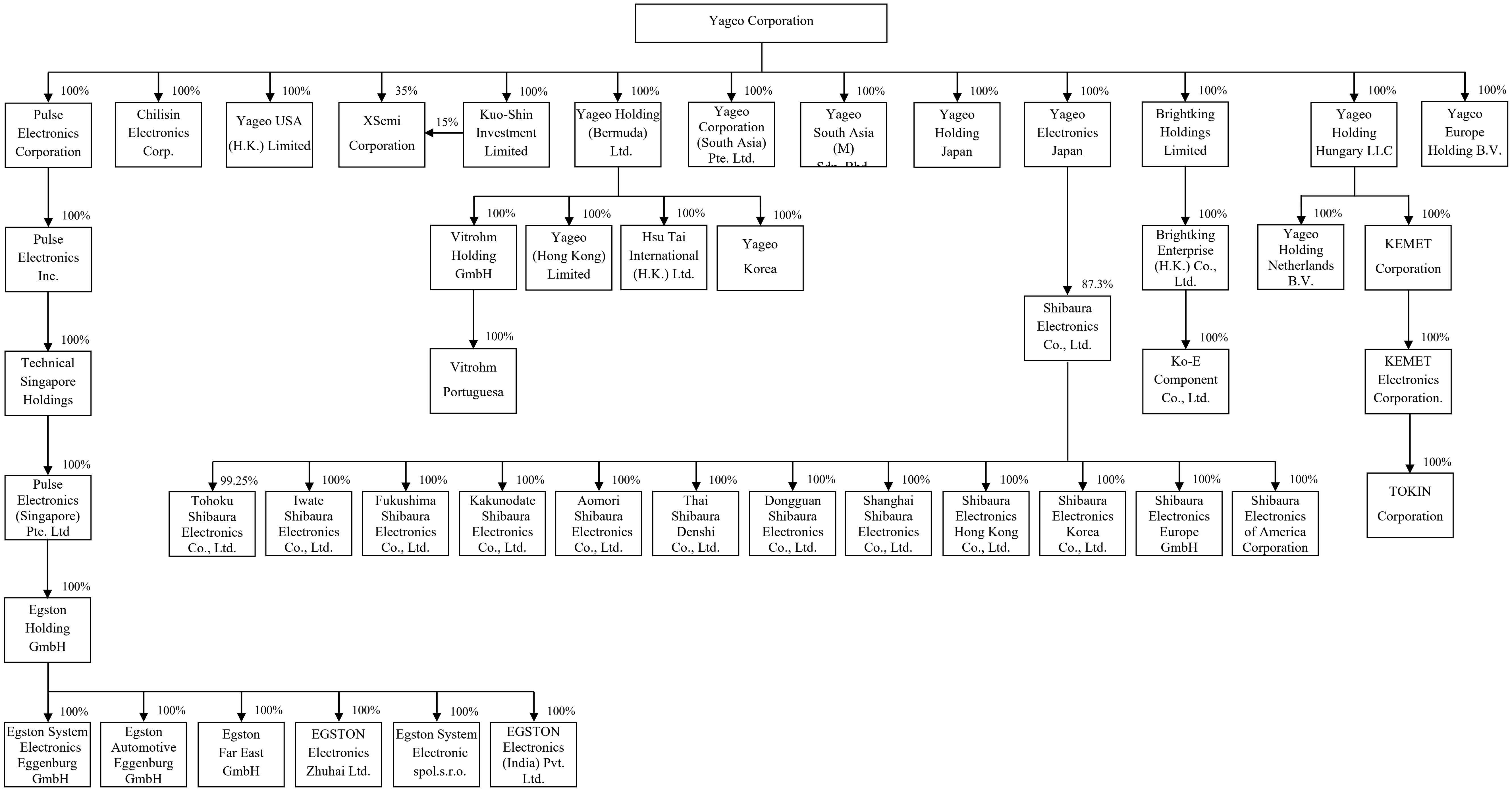
Note 4: The intercompany transactions have been eliminated on consolidation.

(Concluded)

YAGEO CORPORATION AND SUBSIDIARIES

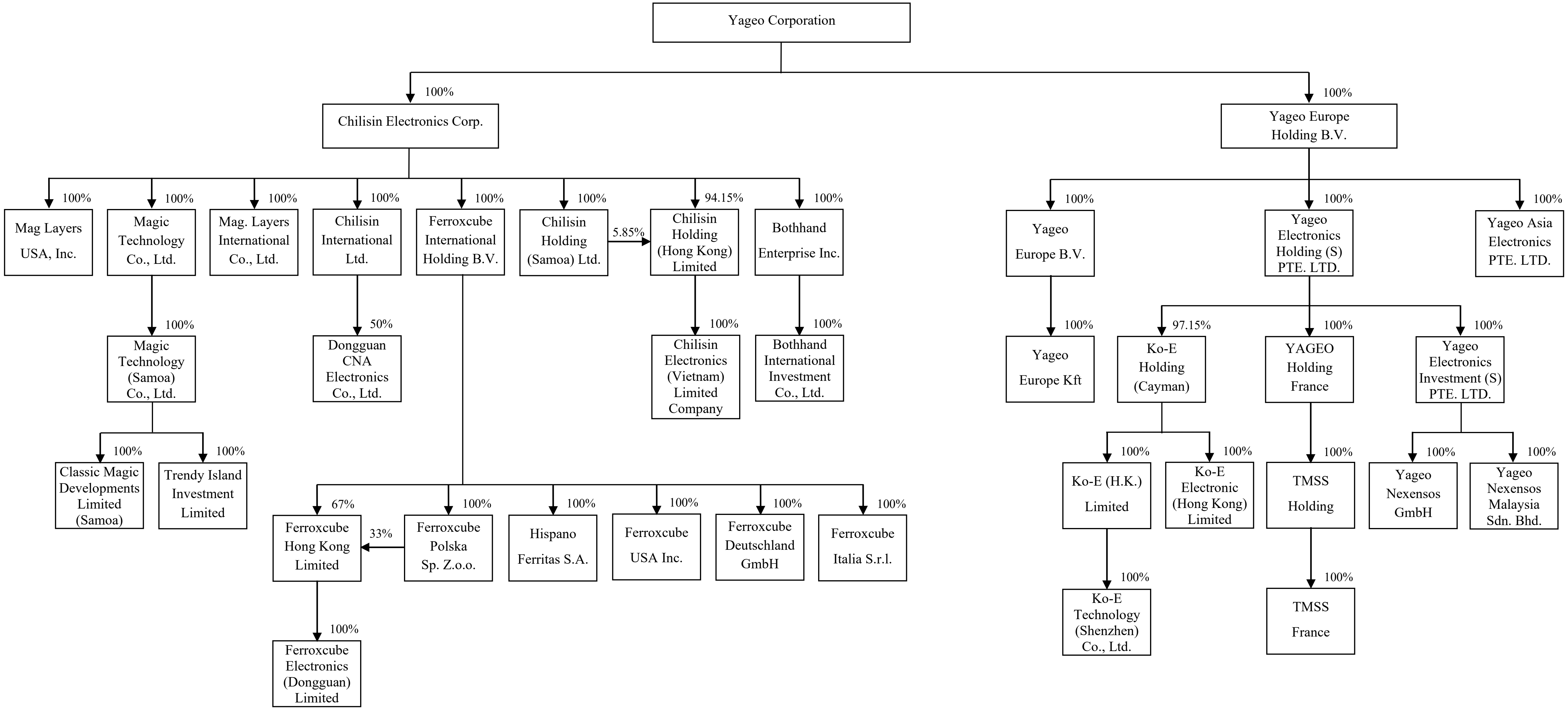
THE GROUP'S ORGANIZATION CHART
DECEMBER 31, 2025

December 31, 2025



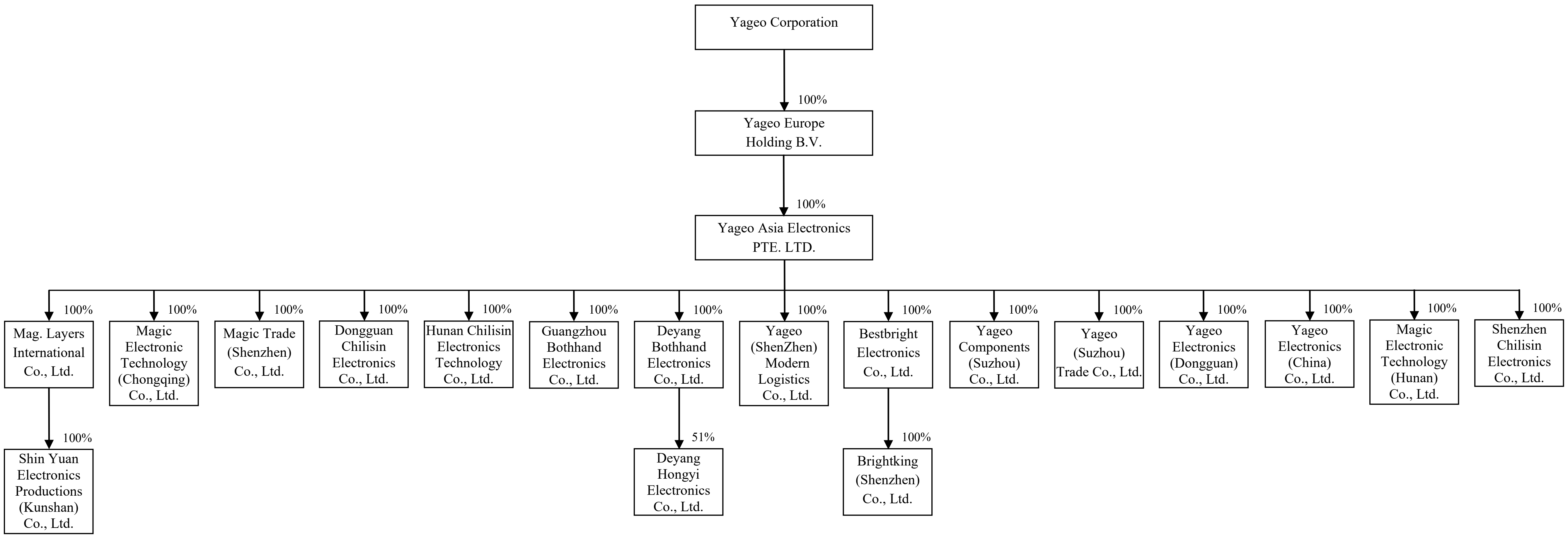
(Continued)

December 31, 2025



(Continued)

December 31, 2025



(Concluded)