

**PAN-INTERNATIONAL INDUSTRIAL CORP.
INDIVIDUAL FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(Stock Code: 2328)**

Company Address: 6F., No. 200, Jian 8th Rd., Zhonghe Dist., New Taipei City

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Notice to Readers

For the convenience of readers, the independent auditors' report and the accompanying parent company only 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 parent company only financial statements shall prevail.

PAN-INTERNATIONAL INDUSTRIAL CORP.

Individual Financial Statements and Independent Auditors' Report for

Fiscal Year 2025 and 2024

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Independent Auditors' Review Report

(2026) Financial Audit Report No. 25004743

To the Board of Directors and Shareholders of Pan-International Industrial Corp.

Audit Opinion

The individual balance sheets of Pan-International Industrial Corp. as of December 31, 2025 and 2024, and the individual statements of comprehensive income, individual statements of changes in equity, and statements of cash flows for the entity from January 1 to December 31, 2025 and 2024, as well as the notes to individual financial statements (including a summary of significant accounting policies), have been audited by our accountants.

In our opinion, based on our audit results and the audit reports of other accountants (please refer to the Other Matters paragraph), the aforementioned individual financial statements have been prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and are sufficient to fairly present the individual financial position of Pan-International Industrial Corp. as of December 31, 2025 and 2024, as well as its individual financial performance and individual cash flows from January 1 to December 31, 2025 and 2024.

Basis for Audit Opinion

We conducted our audit in accordance with the Rules for Auditing and Certification of Financial Statements by a CPA and the auditing standards in the Republic of China. The responsibilities of our CPA under these standards are further explained in the section on the auditor's responsibilities for the audit of the individual financial statements. The personnel of the firm to which the CPA belongs, who are subject to independence regulations, have maintained an independent stance from Pan-International Industrial Corp. in accordance with the Code of Professional Ethics for CPAs of the Republic of China and have fulfilled other responsibilities under these regulations. Based on the results of our audit and the audit reports of other auditors, we believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in the audit of the individual financial statements of Pan-International Industrial Corp. for the fiscal year 2025. These matters have been addressed in the context of the audit of the individual financial statements as a whole and in forming the audit opinion; therefore, our CPA does not express an opinion on these matters individually.

Key Audit Matters for the individual financial statements of Pan-International Industrial Corp. for the fiscal year 2025 are as follows:

Evaluation of allowance for valuation loss of inventories

Remark

For the accounting policies on inventory valuation, please see Notes to Individual Financial Statements Note 4(13); for uncertainties in accounting estimates and assumptions of inventory

valuation, please refer to Notes to Individual Financial Statements Note 5(2); for descriptions of inventory items, please refer to Notes to Individual Financial Statements Note 6(5). As of December 31, 2025, the inventories and allowance for valuation loss of Pan-International Industrial Corp. were NT\$434,805 thousand and NT\$12,663 thousand, respectively; regarding the consolidated financial statements, as of December 31, 2025, the inventories and allowance for valuation loss were NT\$3,671,861 thousand and NT\$171,720 thousand, respectively.

PAN-INTERNATIONAL INDUSTRIAL CORP. AND SUBSIDIARIES primarily manufacture and sell computer peripherals, automotive wire harnesses, industrial control, and medical equipment-related electronic products. Due to rapid technological changes, these inventories have short life cycles and are susceptible to market price fluctuations, leading to a higher risk of inventory valuation losses or obsolescence. Pan-International Industrial Corp. and its Subsidiary measure inventories available for normal sale at the lower of cost and net realizable value; the aforementioned allowance for inventory valuation loss mainly arises from obsolete or damaged inventory items, with their net realizable value estimated based on historical experience in handling obsolete inventories. Due to the significant amount of inventories held by Pan-International Industrial Corp. and Subsidiaries, the numerous items involved, and the frequent requirement of manual judgment to individually identify obsolete or damaged inventories, which is an area necessitating judgment during the audit, our CPA has classified the evaluation of allowance for valuation loss of inventories for Pan-International Industrial Corp. and Subsidiaries as a key audit matter.

Audit procedures in response

The audit procedures performed by the CPA for the allowance for valuation loss of obsolete and damaged inventories are as follows:

1. Assess whether the policy for recognizing the allowance for inventory valuation losses has been applied consistently across the periods presented in the financial statements, and evaluated the reasonableness of such policy.
2. Verify the appropriateness of the system logic used by management for the evaluation of inventories aging reports to ensure that the report information is consistent with their policy.
3. Discuss with management and obtain supporting documents for the estimated net realizable value of obsolete and damaged inventory items in order to assess the reasonableness of the determination of the allowance for valuation loss.

Other Matter - Reference to the Audit of Other CPAs

The financial statements of certain investee companies accounted for using the equity method, which are included in the individual financial statements of Pan-International Industrial Corp., were not audited by us, but were audited by other CPAs. We have performed necessary audit procedures on the adjustments made to convert these companies' financial statements to conform with consistent accounting policies. Therefore, in our opinion on the aforementioned individual financial statements, the amounts of these subsidiaries' financial statements before adjustments are based on the audit reports of other CPAs. As of December 31, 2025 and 2024, the amount of investments accounted for using the equity method with respect to the aforementioned company was NT\$2,807,147 thousand and NT\$2,664,663 thousand, representing 16% and 16% of the individual total assets, respectively. For the periods from January 1 to December 31, 2025 and 2024, the comprehensive income recognized for the

aforementioned company was NT\$204,093 thousand and NT\$339,894 thousand, representing 17% and 22% of the individual comprehensive income, respectively.

Responsibilities of Management and the Governing Unit for the Individual Financial Statements

Management is responsible for the preparation and fair presentation of the individual financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for maintaining necessary internal control related to the preparation of individual financial statements to ensure that they are free from material misstatement, whether due to fraud or error.

When preparing the individual financial statements, the responsibilities of management also include assessing Pan-International Industrial Corp.'s ability to continue as a going concern, disclosing related matters, and adopting the going concern basis of accounting, unless management intends to liquidate Pan-International Industrial Corp. or to cease operations, or has no realistic alternative but to liquidate or cease operations.

The governance unit of Pan-International Industrial Corp. (including the audit committee) is responsible for overseeing the financial reporting process.

The responsibilities of our CPA under these standards are further explained in the section on the auditor's responsibilities for the audit of the individual financial statements.

The purpose of our CPA in auditing the individual financial statements is to obtain reasonable assurance about whether the individual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report. Reasonable assurance is a high level of assurance, but an audit conducted in accordance with the Standards on Auditing of the Republic of China cannot guarantee that all material misstatements in the individual financial statements will be detected. Misstatements may result from fraud or error. If an individual Amount or aggregate of misstatements can reasonably be expected to influence the economic decisions made by users of the individual financial statements, it is considered to be material.

When auditing in accordance with the auditing standards of the Republic of China, we exercise professional judgment and maintain professional skepticism. The CPA also performed the following tasks:

1. Identify and assess the risks of material misstatement of the individual financial statements due to fraud or error; design and implement appropriate responses to the assessed risks; and obtain sufficient and appropriate audit evidence to provide a basis for our audit opinion. Because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls, the risk of failing to detect a material misstatement resulting from fraud is higher than that resulting from error.
2. Obtain a necessary understanding of internal control relevant to the audit in order to design appropriate audit procedures for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Pan-International Industrial Corp.'s internal control.
3. Evaluate the appropriateness of the accounting policies adopted by management and the reasonableness of accounting estimates and related disclosures made by them.

4. Based on the audit evidence obtained, conclude on the appropriateness of management's use of the going concern basis of accounting and whether there is a material uncertainty about events or conditions that may cast significant doubt on Pan-International Industrial Corp.'s ability to continue as a going concern. If our CPA believes that a significant uncertainty exists regarding such events or conditions, they must emphasize the related disclosures in the individual financial statements to the users in the audit report, or modify the audit opinion if such disclosures are inadequate. The Conclusion of the CPA is based on the audit evidence obtained as of the date of the audit report. However, future events or conditions may cause Pan-International Industrial Corp. to be unable to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the individual financial statements (including the related notes), and whether the individual financial statements appropriately represent the related transactions and events.
6. Obtain sufficient and appropriate audit evidence on the financial information of the components within Pan-International Industrial Corp. to express an opinion on the individual financial statements. Our CPA is responsible for directing, supervising, and executing the audit of the individual engagement, and is responsible for forming the audit opinion on the individual financial statements.

The matters communicated by the CPA with the governance unit include the planned scope and the timing of the audit, and significant audit findings (including any significant deficiencies in internal control identified during the audit process).

The CPA also provided the governance unit with a statement that the personnel of the firm to which our CPA belongs have complied with the independence regulations in the Code of Ethics for CPAs in the Republic of China. Additionally, all relationships and Other Matters that might be considered to affect the CPA's independence (including relevant safeguards) were communicated with the governance unit.

From the matters communicated with the governance unit, our CPA determined the Key Audit Matters for the audit of the individual financial statements of Pan-International Industrial Corp. for the fiscal year 2025. The CPA has communicated in the audit report the matters required to be communicated, unless disclosure of specific matters is prohibited by law or regulation, or in extremely rare circumstances, the CPA determines that a matter should not be communicated in the audit report because the adverse consequences of doing so can reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers, Taiwan

Jen-Chieh Wu
CPA
Chieh-Ju Hsu

Financial Supervisory Commission Approval Number:
FSC-Securities-Review No. 1120348565
FSC-Securities-Review No. 1100348083

March 11, 2026

PAN-INTERNATIONAL INDUSTRIAL CORP.

INDIVIDUAL BALANCE SHEET

December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

ASSETS	Notes	December 31, 2025		December 31, 2024		
		Amount	%	Amount	%	
CURRENT ASSETS						
1100	Cash and cash equivalents	6(1)	\$ 1,426,541	8	\$ 1,362,662	8
1136	Financial assets at amortized cost - current	6(2)	340,000	2	-	-
1170	Accounts receivable, net	6(3)	537,099	3	787,010	5
1180	Accounts Receivable - Related Parties, Net	7	1,753,111	10	1,404,770	8
1200	Other receivables	6(4)(6) and 7	849,099	5	60,533	-
130X	Inventories	6(5)	422,142	2	516,630	3
1479	Other current assets - Others		4,163	-	4,949	-
11XX	Total current assets		<u>5,332,155</u>	<u>30</u>	<u>4,136,554</u>	<u>24</u>
NON-CURRENT ASSETS						
1517	Financial assets at FVTOCI - non-current	6(6)	89,027	1	776,341	5
1535	Financial Assets Measured at Amortized Cost - Non-current	6(2)	290,000	2	290,000	2
1550	Investments accounted for using the equity method	6(7)	11,565,465	64	11,310,706	66
1600	Property, plant and equipment	6(8)	619,709	3	538,613	3
1760	Investment properties, net	6(9)	33,270	-	33,490	-
1780	Intangible assets		603	-	727	-
1840	Deferred tax assets	6(21)	6,415	-	9,292	-
1900	Other non-current assets	6(12)	35,308	-	31,124	-
15XX	Total non-current assets		<u>12,639,797</u>	<u>70</u>	<u>12,990,293</u>	<u>76</u>
1XXX	TOTAL ASSETS		<u>\$ 17,971,952</u>	<u>100</u>	<u>\$ 17,126,847</u>	<u>100</u>

(Continued)

PAN-INTERNATIONAL INDUSTRIAL CORP.

INDIVIDUAL BALANCE SHEET

December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY		Notes	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%
CURRENT LIABILITIES						
2100	Short-term borrowings	6(10)	\$ 267,155	2	\$ -	-
2130	Contract liabilities - current	6(17)	64,738	-	70,301	-
2170	Accounts payable		753,344	4	585,558	4
2180	Accounts payable to related parties	7	1,380,822	8	1,665,585	10
2200	Other payables	6(11)	254,653	1	259,397	2
2230	Current tax liabilities		85,033	1	46,453	-
2399	Other Current Liabilities - Others		582	-	576	-
21XX	Total current liabilities		<u>2,806,327</u>	<u>16</u>	<u>2,627,870</u>	<u>16</u>
NON-CURRENT LIABILITIES						
2570	Deferred tax liabilities	6(21)	234,749	1	214,541	1
2670	Other non-current liabilities - Others		17,387	-	5,387	-
25XX	Total non-current liabilities		<u>252,136</u>	<u>1</u>	<u>219,928</u>	<u>1</u>
2XXX	TOTAL LIABILITIES		<u>3,058,463</u>	<u>17</u>	<u>2,847,798</u>	<u>17</u>
EQUITY						
Capital stock		6(13)				
3110	Share Capital		5,183,462	29	5,183,462	30
Capital surplus		6(14)				
3200	Capital surplus		1,503,606	8	1,503,606	9
Retained Earnings		6(15)				
3310	Legal reserve		1,641,445	9	1,526,876	9
3320	Special reserve		1,009,922	6	1,410,735	8
3350	Unappropriated earnings		6,532,209	36	5,664,293	33
Other equity		6(16)				
3400	Other equity		(957,155)	(5)	(1,009,923)	(6)
3XXX	TOTAL EQUITY		<u>14,913,489</u>	<u>83</u>	<u>14,279,049</u>	<u>83</u>
Significant Contingent Liabilities and Unrecognized Contract Commitments		9				
Significant Subsequent Events		11				
3X2X	TOTAL LIABILITIES AND EQUITY		<u>\$ 17,971,952</u>	<u>100</u>	<u>\$ 17,126,847</u>	<u>100</u>

PAN-INTERNATIONAL INDUSTRIAL CORP.
INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

For the Years Ended December 31, 2025 and 2024

(Expressed in thousands of New Taiwan dollars, except for earnings per share)

Item	Notes	2025		2024		
		Amount	%	Amount	%	
4000	Operating revenue	6(17) and 7	\$ 8,879,313	100	\$ 8,152,703	100
5000	Operating costs	6(5)(20) and 7	(8,262,252)	(93)	(7,594,339)	(93)
5900	Gross profit		617,061	7	558,364	7
	OPERATING EXPENSES	6(20)				
6100	Selling and marketing expenses		(68,425)	(1)	(66,676)	(1)
6200	General and administrative expenses		(112,342)	(1)	(123,011)	(1)
6300	Research and development expenses		(16,511)	-	(14,849)	-
6450	Impairment loss determined in accordance with IFRS 9	12(2)	(41)	-	(89)	-
6000	Total operating expenses		(197,319)	(2)	(204,625)	(2)
6900	Operating Profit		419,742	5	353,739	5
	NON-OPERATING INCOME AND EXPENSES					
7100	Interest income		40,062	-	39,454	1
7010	Other income	6(18)	44,243	1	6,852	-
7020	Other gains and losses	6(19)	23,158	-	12,929	-
7050	Finance costs		(737)	-	(11)	-
7070	Share of Profit (Loss) of Subsidiaries, Associates, and Joint Ventures Accounted for Using Equity Method	6(7)	436,183	5	761,226	9
7000	Total non-operating income and expenses		542,909	6	820,450	10
7900	Income before income tax		962,651	11	1,174,189	15
7950	Income tax expenses	6(21)	(154,462)	(2)	(137,517)	(2)
8200	Net profit for the period		\$ 808,189	9	\$ 1,036,672	13
	Other Comprehensive Income (Net) Items that will not be reclassified subsequently to profit or loss					
8311	Remeasurements of defined benefit plans	6(12)	\$ 4,140	-	\$ 7,546	-
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	6(16)	114,839	1	6,374	-
8330	Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using the equity method - items that will not be reclassified subsequently to profit or loss	6(22)	246,992	3	(60,749)	(1)
8349	Income tax benefit (expense) related to items that will not be reclassified subsequently	6(21)	(828)	-	(1,509)	-
8310	Items that will not be reclassified to profit or loss		365,143	4	(48,338)	(1)
	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on foreign operations translations	6(16)	31,289	1	558,168	7
8360	Total of Items That May Be Reclassified to Profit or Loss		31,289	1	558,168	7
8300	Other Comprehensive Income (Net)		\$ 396,432	5	\$ 509,830	6
8500	Total comprehensive income for the period		\$ 1,204,621	14	\$ 1,546,502	19
	Earnings Per Share	6(23)				
9750	Basic earnings per share		\$ 1.56		\$ 2.00	
9850	Diluted earnings per share		\$ 1.56		\$ 1.99	

PAN-INTERNATIONAL INDUSTRIAL CORP.
INDIVIDUAL STATEMENT OF CHANGES IN EQUITY
For the Years Ended December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

	Notes	Capital surplus			Retained Earnings			Other equity			Total equity
		Share Capital	Capital surplus - issuance premium	Capital surplus - treasury stock transactions	Capital surplus - difference between acquisition or disposal price and carrying amount of subsidiaries' equity	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on foreign operations translations	Unrealized gains or losses on financial assets measured at fair value through other comprehensive income	
2024											
January 1		\$ 5,183,462	\$ 1,402,318	\$ 98,543	\$ 2,745	\$ 1,401,022	\$ 1,385,207	\$ 5,343,835	(\$ 1,142,062)	(\$ 268,673)	\$ 13,406,397
Net profit for the period		-	-	-	-	-	-	1,036,672	-	-	1,036,672
Other comprehensive income (loss) for the period	6(16)(22)	-	-	-	-	-	-	7,535	558,168	(55,873)	509,830
Total comprehensive income for the period		-	-	-	-	-	-	1,044,207	558,168	(55,873)	1,546,502
2023 Earnings Distribution and Appropriation:	6(15)										
Legal reserve appropriated		-	-	-	-	125,854	-	(125,854)	-	-	-
Special reserve appropriated		-	-	-	-	-	25,528	(25,528)	-	-	-
Cash dividends to shareholders		-	-	-	-	-	-	(673,850)	-	-	(673,850)
Disposal of Investments in Equity Instruments Measured at Fair Value Through Other Comprehensive Income	6(6)	-	-	-	-	-	-	101,483	-	(101,483)	-
December 31		\$ 5,183,462	\$ 1,402,318	\$ 98,543	\$ 2,745	\$ 1,526,876	\$ 1,410,735	\$ 5,664,293	(\$ 583,894)	(\$ 426,029)	\$ 14,279,049
2025											
January 1		\$ 5,183,462	\$ 1,402,318	\$ 98,543	\$ 2,745	\$ 1,526,876	\$ 1,410,735	\$ 5,664,293	(\$ 583,894)	(\$ 426,029)	\$ 14,279,049
Net profit for the period		-	-	-	-	-	-	808,189	-	-	808,189
Other comprehensive income (loss) for the period	6(16)(22)	-	-	-	-	-	-	3,942	31,289	361,201	396,432
Total comprehensive income for the period		-	-	-	-	-	-	812,131	31,289	361,201	1,204,621
2024 Earnings Distribution and Appropriation:	6(15)										
Legal reserve appropriated		-	-	-	-	114,569	-	(114,569)	-	-	-
Reversal of special reserve		-	-	-	-	-	(400,813)	400,813	-	-	-
Cash dividends to shareholders		-	-	-	-	-	-	(570,181)	-	-	(570,181)
Disposal of Investments in Equity Instruments Measured at Fair Value Through Other Comprehensive Income	6(6)	-	-	-	-	-	-	339,722	-	(339,722)	-
December 31		\$ 5,183,462	\$ 1,402,318	\$ 98,543	\$ 2,745	\$ 1,641,445	\$ 1,009,922	\$ 6,532,209	(\$ 552,605)	(\$ 404,550)	\$ 14,913,489

PAN-INTERNATIONAL INDUSTRIAL CORP.
STATEMENT OF CASH FLOWS FOR THE ENTITY
For the Years Ended December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

	Notes	January 1 to December 31, 2025	January 1 to December 31, 2024
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before income tax		\$ 962,651	\$ 1,174,189
Adjustment Items			
Profit and loss items			
Depreciation Expenses and Amortization	6(20)	15,499	3,192
Impairment loss determined in accordance with IFRS 9	12(2)	41	89
Interest expenses		737	11
Interest income		(40,062)	(39,454)
Dividend income	6(18)	(37,182)	-
Share of Profit (Loss) of Subsidiaries, Associates, and Joint Ventures Accounted for Using Equity Method	6(7)	(436,183)	(761,226)
Unrealized exchange loss	6(25)	2,128	-
Net Changes in Operating Assets/Liabilities			
Net changes in operating assets			
Accounts receivable		250,015	82,420
Accounts Receivable - Related Parties		(348,486)	(172,115)
Inventories		94,488	(205,545)
Other receivables		(3,502)	8,926
Decrease in accounts receivable for procurement of raw materials.		7,042	9,886
Other current assets		786	563
Net changes in operating liabilities			
Accounts payable		167,786	763
Accounts Payable - Related Parties		(284,763)	313,392
Other payables		(4,743)	(51,668)
Net defined benefit assets		(4,184)	(10,131)
Contract liabilities		(5,563)	(34,582)
Cash inflow from operations		336,505	318,710
Income tax paid		(77,484)	(226,291)
Net cash inflow from operating activities		<u>259,021</u>	<u>92,419</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Additions of financial assets at amortized costs	6(2)	(340,000)	-
Refund of Share Capital from Financial Assets Measured at Fair Value Through Other Comprehensive Income	6(6)	-	68,968
Disposal of financial assets at FVTOCI	6(6)(24)	-	242,096
Cash dividends distributed by investee companies accounted for using the equity method	6(7) and 7	887,569	92,501
Acquisitions of investments accounted for using the equity method		(427,865)	(176,587)
Purchase of property, plant and equipment	6(8)(24)	(98,352)	(37,537)
Additions to intangible assets		(224)	(637)
Decrease in refundable deposits		-	90
Additions to Other Non-Current Assets		-	(573)
Interest Received		40,045	37,374
Dividends Received		37,182	-
Return of capital from the investee company's capital reduction		12,394	-
Net cash inflow from investing activities		<u>110,749</u>	<u>225,695</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(25)	265,027	-
Interest paid		(737)	(11)
Cash dividends paid	6(15)	(570,181)	(673,850)
Net cash used in financing activities		(305,891)	(673,861)
Net (decrease) increase in cash and cash equivalents		63,879	(355,747)
Balance of cash and cash equivalents at the beginning of the period		<u>1,362,662</u>	<u>1,718,409</u>
Balance of cash and cash equivalents at the end of the period		<u>\$ 1,426,541</u>	<u>\$ 1,362,662</u>

PAN-INTERNATIONAL INDUSTRIAL CORP.
NOTES TO INDIVIDUAL FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024

Unit: NT\$ thousand (unless otherwise noted)

I. General Information

Pan-International Industrial Corp. ("the Company") was established in the Republic of China (R.O.C). The Company's main businesses and products are the development, manufacturing, and sales of electronic signal cables, connectors, connection wires, precision molds, various plugs and sockets, telecommunication devices, wireless Bluetooth devices, printed circuit boards and other computer peripherals, medical device-related products, industrial control products, as well as automotive wire harnesses, automotive parts and accessories, and intelligent in-vehicle equipment.

II. Approval of Financial Statements Date and Process

The individual financial statements were approved for issuance by the Board of Directors on March 11, 2026.

III. Application of New Standards, Amendments and Interpretations

- (I) Effects of adopting new and amended International Financial Reporting Standards (IFRS) that have been endorsed and issued into effect by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date announced by International Accounting Standards Board
Amendments to IAS 21 Lack of Exchangeability	January 1, 2025

The Corporation has assessed that the above standards and interpretations have no significant impact on the Corporation's financial position and financial performance.

- (II) Impact of New IFRSs Endorsed by the FSC but Not Yet Adopted

The following table summarizes the newly issued, amended and revised standards and interpretations of International Financial Reporting Standards endorsed by the FSC that are applicable in 2026:

New Standards, Interpretations and Amendments	Effective date announced by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7 "Amendments to Classification and Measurement of Financial Instruments" - partial amendments	January 1, 2026

New Standards, Interpretations and Amendments	Effective date announced by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9—Comparative Information"	January 1, 2023
Annual Improvements to IFRS Standards - Volume 11	January 1, 2026

Except for those described below, the Corporation has assessed that the above standards and interpretations have no significant impact on the Corporation's financial position and financial performance:

Amendments to IFRS 9 and IFRS 7 "Amendments to Classification and Measurement of Financial Instruments" - partial amendments

1. Clarify and provide additional guidance for assessing whether financial assets meet the Solely Payments of Principal and Interest (SPPI) criterion, including contractual terms that modify cash flows based on contingent events (e.g., interest rates linked to ESG targets), non-recourse features, and contractually linked instruments.
2. Add requirements to disclose qualitative descriptions of the nature of contingencies for instruments with contractual terms that can modify cash flows (such as instruments with features related to achieving Environmental, Social and Governance (ESG) targets); quantitative information about the range of possible contractual cash flow modifications arising from such contractual terms; and the gross carrying amount of financial assets and amortized cost of financial liabilities under such contractual terms.
3. Clarify the dates for recognition and derecognition of certain financial assets and liabilities. When settling financial liabilities (or parts of financial liabilities) in cash using electronic payment systems, an entity is permitted to treat the financial liability as extinguished before the settlement date only when the entity initiates a payment instruction that results in the following circumstances:
 - (1) The entity does not have the ability to revoke, stop, or cancel the payment instruction;
 - (2) The entity does not have the practical ability to access the cash used for settlement due to the payment instruction;
 - (3) The settlement risk associated with the electronic payment system is not significant.
4. The fair value of equity instruments designated as measured at fair value through other comprehensive income (FVOCI) through irrevocable election should be disclosed by class rather than for each individual instrument. Additionally, the fair value gains and losses recognized in other comprehensive income during the reporting period should be

disclosed separately, showing the fair value gains and losses related to investments derecognized during the reporting period and those related to investments still held at the end of the reporting period; and the cumulative gains and losses transferred to equity for investments derecognized during the reporting period.

(III) Impact of International Financial Reporting Standards Issued by International Accounting Standards Board but not yet endorsed by the Financial Supervisory Commission

The following table summarizes the new standards, amendments and revisions to standards and interpretations issued by the International Accounting Standards Board but not yet included in the International Financial Reporting Standards endorsed by the Financial Supervisory Commission:

New Standards, Interpretations and Amendments	Effective date announced by International Accounting Standards Board
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 International Accounting Standards Board
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027
Amendments to IAS 21 "Translation into Hyperinflationary Currency"	January 1, 2027

Note 1 On September 25, 2025, the FSC announced in a press release that public companies will be required to adopt International Financial Reporting Standard 18 (hereinafter referred to as "IFRS 18") starting from 2028. Additionally, companies that wish to early adopt IFRS 18 may choose to do so after the FSC has endorsed IFRS 18.

Except for those described below, the Corporation has assessed that the above standards and interpretations have no significant impact on the Corporation's financial position and financial performance:

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 "Presentation and Disclosure in Financial Statements" replaces IAS 1, updates the structure of the statement of comprehensive income, adds disclosure requirements for management performance measures, and strengthens the principles of aggregation and disaggregation applied to primary financial statements and notes.

IV. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these individual financial statements are set out below. Unless otherwise stated, these policies have been consistently applied to all reporting periods.

(I) Statement of Compliance

These individual financial statements have been prepared in accordance with the

Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(II) Basis of Preparation

1. Except for the following significant items, these separate financial statements have been prepared under the historical cost convention:
 - (1) Financial assets and liabilities (including derivative instruments) at fair value through profit or loss.
 - (2) Financial assets measured at fair value through other comprehensive income measured at fair value.
 - (3) Defined benefit assets (liabilities) recognized based on the net amount of pension fund assets less the present value of defined benefit obligations.
2. The preparation of financial statements in conformity with the IFRSs endorsed and issued into effect by the FSC requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying The Corporation's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the individual financial statements are disclosed in Note 5.

(III) Foreign currency translation

1. These separate financial statements are presented in New Taiwan Dollars (NTD), which is the Corporation's functional currency.
2. Foreign currency transactions and balances
 - (1) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation. Translation differences arising from such transactions are recognized in current profit or loss.
 - (2) Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the balance sheet date. Translation differences arising from such adjustments are recognized in current profit or loss.
 - (3) Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value through profit or loss are translated at the exchange rates prevailing at the balance sheet date, with translation differences recognized in current profit or loss; those measured at fair value through other comprehensive income are translated at the exchange rates prevailing at the balance sheet date, with translation differences recognized in other comprehensive income; those not measured at fair value are measured using the historical exchange rates at the dates of initial transactions.
 - (4) All foreign exchange gains and losses are reported in "Other gains and losses" in the income statement.
3. Translation of foreign operations
 - (1) For all group entities and associates whose functional currency differs from the

presentation currency, their operating results and financial position are translated into the presentation currency in the following manner:

- A. Assets and liabilities presented in each balance sheet are translated at the closing exchange rate at the date of that balance sheet;
 - B. Income and expenses presented for each statement of comprehensive income are translated at the average exchange rates of that period; and
 - C. All resulting exchange differences are recognized in other comprehensive income.
- (2) When the foreign operation that is a subsidiary is partially disposed of or sold, the cumulative translation differences recognized in other comprehensive income are proportionally redistributed to the non-controlling interests of that foreign operation. However, when the Corporation loses control over a foreign operation that is a subsidiary, even though it retains partial ownership interest, it is treated as a disposal of the entire interest in that foreign operation.
- (3) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rate at the balance sheet date.

(IV) Classification of current and non-current items.

1. Assets that meet any of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
- (1) Expected to be realized in the normal operating cycle, or intended to be sold or consumed.
 - (2) Held primarily for trading purposes.
 - (3) Expected to be realized within twelve months after the reporting period.
 - (4) Cash or cash equivalents, unless restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

The Group classifies all assets that do not meet the above conditions as non-current.

2. Liabilities that meet any of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
- (1) Expected to be settled within the normal operating cycle.
 - (2) Held primarily for trading purposes.
 - (3) To be settled within twelve months after the reporting period.
 - (4) The entity does not have the right to defer settlement of the liability for at least twelve months after the reporting period.

The Group classifies all liabilities that do not meet the above conditions as non-current.

(V) Cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits that meet the above definition and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(VI) Financial Assets at FVTPL

1. These are financial assets that are neither at amortized cost nor at fair value through other comprehensive income.
2. On a regular way purchase or sale basis, financial assets and liabilities measured at fair value through profit or loss are recognized and derecognized using trade date accounting.
3. The Corporation measures these financial assets at fair value at initial recognition, with transaction costs recognized in profit or loss. Subsequently, they are measured at fair value with gains or losses recognized in profit or loss.
4. When the right to receive dividends is established, the economic benefits associated with the dividends are likely to flow in, and the dividend amount can be reliably measured, the Corporation recognizes dividend income in profit or loss.

(VII) Financial assets at FVTOCI

1. These refer to equity instrument investments not held for trading where an irrevocable election is made at initial recognition to present changes in fair value in other comprehensive income; or debt instrument investments that meet both of the following conditions:
 - (1) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
 - (2) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
2. The Group adopts trade date accounting for financial assets measured at fair value through other comprehensive income that meet regular way transactions.
3. The Corporation measures such assets measured at fair value plus transaction costs at initial recognition, and subsequently at fair value:
 - (1) For equity instruments, changes in fair value are recognized in other comprehensive income. Upon derecognition, the cumulative gains or losses previously recognized in other comprehensive income cannot be reclassified to profit or loss but are transferred to retained earnings. When the right to receive dividends is established, the economic benefits associated with the dividends are likely to flow in, and the dividend amount can be reliably measured, the Corporation recognizes dividend income in profit or loss.

- (2) For debt instruments, changes in fair value are recognized in other comprehensive income. Impairment losses, interest income and foreign exchange gains and losses are recognized in profit or loss before derecognition. Upon derecognition, the cumulative gains or losses previously recognized in other comprehensive income are reclassified from equity to profit or loss.

(VIII) Financial assets at amortized costs

1. These refer to financial assets that simultaneously meet the following conditions:
 - (1) The financial asset is held within a business model whose objective is to collect contractual cash flows.
 - (2) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
2. The Corporation adopts trade date accounting for financial assets measured at amortized cost that meet regular way transactions.
3. The Corporation initially measures these assets at fair value plus transaction costs, and subsequently recognizes interest income using the effective interest method over the circulation period, recognizes impairment losses, and recognizes gains or losses in profit or loss upon derecognition.
4. The Corporation holds time deposits that do not qualify as cash equivalents. Due to their short holding periods, the impact of discounting is insignificant, and they are measured at the investment amount.

(IX) Accounts and Notes Receivable

1. These refer to accounts and notes receivable that represent unconditional rights to receive consideration in exchange for goods or services transferred, as stipulated in contracts.
2. For non-interest-bearing short-term accounts and notes receivable, due to the insignificant impact of discounting, the Corporation measures them at the original invoice amount.

(X) Impairment of financial assets

At each balance sheet date, the Corporation considers all reasonable and supportable information (including forward-looking information) for financial assets measured at amortized cost. For assets without a significant increase in credit risk since initial recognition, the allowance for losses is measured at the amount of 12-month expected credit losses. For assets with a significant increase in credit risk since initial recognition, the allowance for losses is measured at the amount of lifetime expected credit losses. For trade receivables or contract assets that do not contain a significant financing component, the allowance for losses is measured at the amount of lifetime expected credit losses.

(XI) Derecognition of Financial Assets

When the Corporation's contractual rights to receive cash flows from the financial asset expire, it derecognizes the financial asset.

(XII) Lessor's Lease Transactions - Operating Leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(XIII) Inventories

Inventories are measured at the lower of cost and net realizable value, with cost determined using the weighted average method. The cost of finished goods and work in progress includes raw materials, direct labor, other direct costs and production-related manufacturing overhead (allocated based on normal operating capacity), but excludes borrowing costs. When comparing cost and net realizable value, the item-by-item comparison method is used. Net realizable value refers to the estimated selling price in the normal course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(XIV) Investments accounted for using the equity method/Subsidiaries and Associates

1. Subsidiaries are entities (including structured entities) controlled by the Corporation. The Corporation controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
2. Unrealized gains and losses from transactions between the Corporation and its subsidiaries have been eliminated. The accounting policies of subsidiaries have been adjusted as necessary to be consistent with the policies adopted by the Corporation.
3. The Corporation's share of its subsidiaries' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Corporation's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Corporation continues to recognize losses based on the ownership percentage.
4. Changes in ownership interests in subsidiaries that do not result in loss of control (transactions with non-controlling interests) are accounted for as equity transactions, i.e., transactions with owners in their capacity as owners. The difference between the adjustment amount of non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity.
5. Associates are entities over which the Corporation has significant influence but not control, generally accompanying a direct or indirect shareholding of 20% or more of the voting rights. The Group's investments in associates are accounted for using the equity method and are recognized at cost upon acquisition.
6. The Corporation's share of its associates' post-acquisition profits or losses is recognized

in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Corporation's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Corporation does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

7. When changes in an associate's equity are not recognized in profit or loss or other comprehensive income of the associate and such changes do not affect the Corporation's shareholding percentage in the associate, the Corporation recognizes the proportionate share of ownership changes as "Capital Surplus".
8. Unrealized gains and losses from transactions between the Corporation and its associates have been eliminated in proportion to the Corporation's interest in the associates; unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Corporation.
9. When the Corporation disposes of an Associate and loses significant influence over it, the amounts previously Recognized in Other Comprehensive Income in relation to the associate are accounted for on the same basis as would be required if the Corporation had directly disposed of the related ASSETS or liabilities. That is, when a gain or loss previously Recognized in Other Comprehensive Income would be reclassified to Profit (Loss) on the disposal of the related ASSETS or liabilities, such gain or loss is reclassified from equity to Profit (Loss) when the significant influence over the Associate is lost. If significant influence over the associate is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified according to the above method.
10. In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the profit (loss) and other comprehensive income (loss) for the period in the individual financial statements shall be consistent with the allocation of the profit (loss) and other comprehensive income (loss) attributable to the owners of the parent company in the financial reports prepared on the basis of consolidation. The equity in the individual financial statements shall be the same as the equity attributed to the owners of the parent company in the financial reports prepared on the basis of consolidation.

(XV) Property, plant and equipment

1. Property, plant and equipment are recorded at acquisition cost.
2. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Corporation and the cost of the item can be measured reliably. The carrying amount of the replaced part should be derecognized. All other maintenance costs are recognized in profit or loss when incurred.

3. The subsequent measurement of property, plant and equipment follows the cost model, and except for land which is not depreciated, other assets are depreciated using the straight-line method over their estimated useful lives. If components of property, plant and equipment are significant, they are depreciated separately.
4. At the end of each financial year, the Group reviews the residual value, useful life, and depreciation method of each asset. If the expected residual value and useful life differ from previous estimates, or if there has been a significant change in the expected pattern of consumption of future economic benefits embodied in the asset, the changes are accounted for as changes in accounting estimates in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" from the date of change. The useful lives of various assets are as follows:

Buildings and structures	15 years to 51 years
Machinery and equipment	3 years to 9 years
Others	1 years to 6 years

(XVI) Investment property

Investment property is recognized at acquisition cost and subsequently measured using the cost model. Except for land, depreciation is recognized using the straight-line method over the estimated useful life of 15~51 years.

(XVII) Impairment of Non-financial Assets

At the balance sheet date, the Corporation estimates the recoverable amount for assets with indications of impairment. When the recoverable amount is lower than its carrying amount, an impairment loss is recognized. The recoverable amount refers to the higher of an asset's fair value less costs of disposal or its value in use.

(XVIII) Borrowings

Refers to short-term funds borrowed from banks. At initial recognition, the Corporation measures borrowings at fair value less transaction costs. Subsequently, any difference between the proceeds (net of transaction costs) and the redemption value is recognized as interest expense in profit or loss over the circulation period using the effective interest method.

(XIX) Accounts payable and notes payable

1. Refers to obligations incurred from credit purchases of raw materials, goods or services, and notes payable arising from both operating and non-operating activities.
2. For non-interest bearing short-term accounts and notes payable, due to the insignificant effect of discounting, the Corporation measures them at the original invoice amount.

(XX) Derecognition of Financial Liabilities

When the Corporation's contractual obligations are fulfilled, cancelled, or expired, it derecognizes financial liabilities.

(XXI) Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and presented as a net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

(XXII) Employee Benefits

1. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount expected to be paid and recognized as expenses when the related services are provided.

2. Pension

(1) Defined contribution plans

For defined contribution plans, the contributions to be made to pension funds are recognized as pension costs in the current period on an accrual basis. Prepaid contributions are recognized as assets to the extent that they can result in cash refunds or reductions in future payments.

(2) Defined benefit plans

A. Net obligations under defined benefit plans are calculated by discounting the amount of future benefits that employees have earned in the current or prior periods, and are measured at the present value of the defined benefit obligations at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The discount rate is determined by reference to market yields of high-quality corporate bonds that match the currency and maturity period of the defined benefit plans at the balance sheet date. In countries where there is no deep market for high-quality corporate bonds, the market yields of government bonds (at the balance sheet date) are used.

B. Remeasurements arising from defined benefit plans are recognized in other comprehensive income when incurred and presented in retained earnings.

C. The related expenses for past service costs are immediately recognized in profit or loss.

3. Employee Compensation and Directors' Remuneration

Employee compensation and directors' remuneration are recognized as expenses and liabilities when there is a legal or constructive obligation and the amount can be reasonably estimated. When there is a difference between the actual distribution amount subsequently resolved and the estimated amount, it is treated as a change in accounting estimate.

(XXIII) Income Tax

1. Income tax expense includes current and deferred income taxes. Except for income tax

related to items included in other comprehensive income or directly recognized in equity, which are respectively included in other comprehensive income or directly recognized in equity, income tax is recognized in profit or loss.

2. The Group calculates current income tax based on the tax rates that have been enacted or substantively enacted at the balance sheet date in the countries where it operates and generates taxable income. Management regularly evaluates the status of income tax declarations in accordance with relevant income tax regulations, and when applicable, estimates income tax liabilities based on the expected tax payments to be made to tax authorities. The income tax imposed on undistributed earnings according to the Income Tax Act is recognized as undistributed earnings income tax expense based on the actual distribution of earnings, after the earnings distribution proposal is approved by the shareholders' meeting in the year following the year in which the earnings were generated.
3. Deferred income tax is recognized using the balance sheet method, based on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the individual balance sheet. Deferred income tax liabilities arising from the initial recognition of goodwill are not recognized. If deferred income tax arises from the initial recognition of assets or liabilities in a transaction (excluding business combinations), and at the time of the transaction, it neither affects accounting profit nor taxable income (tax loss) and does not create corresponding taxable and deductible temporary differences, it is not recognized. If temporary differences arise from investments in subsidiaries and associates, and the Group can control the timing of the reversal of the temporary differences, and it is probable that the temporary differences will not reverse in the foreseeable future, they are not recognized. Deferred income tax is measured at the tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
4. Deferred income tax assets are recognized to the extent that it is probable that temporary differences will be used to offset future taxable income, and unrecognized and recognized deferred income tax assets are reassessed at each balance sheet date.
5. Current income tax assets and liabilities are offset when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis or realize the asset and settle the liability simultaneously.
6. Deferred income tax assets are recognized for the carry-forward of unused tax credits resulting from purchases of equipment or technology, research and development expenditures, and equity investments, to the extent that it is probable that future taxable

income will be available against which the unused tax credits can be utilized.

(XXIV) Capital stock

Common Stock is classified as EQUITY. Incremental costs directly attributable to the issuance of new shares or stock options are deducted from equity as a reduction of proceeds, net of income tax.

(XXV) Dividend Distribution

Dividends distributed to the Company's shareholders are recognized in the financial reports when resolved by the Company's shareholders' meeting. Cash dividends are recognized as liabilities, while stock dividends are recognized as stock dividends to be distributed, and are reclassified as common stock on the ex-dividend date.

(XXVI) Revenue Recognition

1. The Corporation manufactures and sells electronic components. Sales revenue is recognized when control of the products is transferred to customers, which occurs when the products are delivered to buyers, buyers have discretion over the sales price of the products, and the Corporation has no unfulfilled performance obligations that could affect customer acceptance of the products. Delivery of goods occurs when products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to customers, and either the customer has accepted the products in accordance with the sales contract, or there is objective evidence that all acceptance criteria have been satisfied. Accounts receivable are recognized when goods are delivered to customers, as from that point onwards, The Corporation has an unconditional right to the contract payment and only the passage of time is required before payment is collected from customers.
2. Payment terms for sales transactions are typically due within 30 to 120 days after shipment. Since the time interval between the transfer of promised goods or services to customers and customer payment does not exceed one year, the Corporation has not adjusted the transaction price to reflect the time value of money.

V. Critical Accounting Judgments, Estimates and Key Sources of Assumption Uncertainty

In preparing these individual financial statements, management has exercised judgment in determining the accounting policies adopted and made accounting estimates and assumptions based on reasonable expectations of future events given the circumstances at the balance sheet date. The significant accounting estimates and assumptions made may differ from actual results, and will be continuously evaluated and adjusted considering historical experience and other factors. Such estimates and assumptions pose risks that may result in significant adjustments to the carrying amounts of assets and liabilities in the next financial year. Please refer to the following descriptions of critical accounting judgments, estimates and assumption uncertainties:

(I) Critical Judgments in Applying the Group's Accounting Policies

Recognition of Revenue on a Gross or Net Basis

Based on the transaction type and economic substance, the Corporation determines whether the nature of its promise to customers constitutes a performance obligation to provide specific goods or services itself (i.e., the Corporation acts as principal) or to arrange for another party to provide those goods or services (i.e., the Corporation acts as agent). When the Corporation controls the goods or services before they are transferred to customers, the Corporation acts as principal and recognizes revenue at the gross amount of consideration it expects to receive in exchange for the specified goods or services transferred. If the Corporation does not control the specified goods or services before they are transferred to customers, the Corporation acts as agent, arranging for another party to provide the specified goods or services to customers, and recognizes revenue at the amount of any fee or commission it expects to be entitled to for arranging such services.

The Corporation determines whether it controls the goods or services before they are transferred to customers based on the following indicators:

1. Has primary responsibility for fulfilling the promise to provide the specified goods or services.
2. Bears inventory risk before the specified goods or services are transferred to customers or after transfer of control.
3. Has discretion in establishing prices for the specified goods or services.

(II) Critical Accounting Estimates and Assumptions

Evaluation of Inventories

Since inventories must be valued at the lower of cost or net realizable value, the Corporation must exercise judgment and estimates to determine the net realizable value of inventories at the balance sheet date. Due to rapid technological changes, the Corporation evaluates the amount of inventory that is subject to normal wear and tear, obsolescence, or has no market value at the balance sheet date, and writes down inventory costs to net realizable value. This inventory valuation is primarily based on estimated product demand for specific future periods, and therefore may be subject to significant changes. As of December 31, 2025, please refer to Note 6(5) for the carrying amount of the Corporation's inventories.

VI. Descriptions of Material Accounting Items

(I) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Demand deposits	\$ 606,541	\$ 222,662
Time deposits	820,000	1,040,000
Cash equivalents - Bonds Purchased under Resale Agreements	-	100,000
	<u>\$ 1,426,541</u>	<u>\$ 1,362,662</u>

The financial institutions that the Corporation deals with have good credit quality. The Corporation conducts business with multiple financial institutions to diversify credit risk, and the probability of default is very low.

(II) Financial assets at amortized costs

Item	December 31, 2025	December 31, 2024
Current items:		
Time deposits with maturities over three months	\$ 340,000	\$ -
Non-current items:		
Corporate bonds	\$ 290,000	\$ 290,000

1. The breakdown of financial assets at amortized cost recognized in profit or loss is as follows:

	2025	2024
Interest income	\$ 11,617	\$ 11,747

2. The financial institutions that the Corporation deals with have good credit quality, and the probability of default is very low.

3. For related credit risk information on financial assets at amortized cost, please refer to Note 12(2).

(III) Accounts receivable

	December 31, 2025	December 31, 2024
Accounts receivable	\$ 537,332	\$ 787,348
Less: Loss allowance	(233)	(338)
	\$ 537,099	\$ 787,010

1. The balances of accounts receivable as of December 31, 2025 and 2024 were all generated from contracts with customers. Additionally, the balance of receivables from customer contracts as of January 1, 2024 was NT\$2,102,990.

2. Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk for the Company's accounts receivable as of December 31, 2025 and 2024 is represented by the carrying amount of each class of accounts receivable.

3. The Corporation does not hold any collateral.

4. For related credit risk information, please refer to Note 12(2).

(IV) Other receivables and accounts receivable

	December 31, 2025	December 31, 2024
Receivables from the sale of stocks	\$ 789,363	\$ -
Other receivables - Others	59,736	60,533
	<u>\$ 849,099</u>	<u>\$ 60,533</u>

For Remark on the aforementioned Receivables from the sale of stocks, please refer to Note 6(6).

(V) Inventories

	December 31, 2025		
	Cost	Allowance for Valuation Loss	Carrying Amount
Raw materials	\$ 22,023	(\$ 7,969)	\$ 14,054
Finished goods	412,782	(4,694)	408,088
	<u>\$ 434,805</u>	<u>(\$ 12,663)</u>	<u>\$ 422,142</u>

	December 31, 2024		
	Cost	Allowance for Valuation Loss	Carrying Amount
Raw materials	\$ 16,403	(\$ 3,294)	\$ 13,109
Finished goods	520,414	(16,893)	503,521
	<u>\$ 536,817</u>	<u>(\$ 20,187)</u>	<u>\$ 516,630</u>

The Group's inventory costs recognized as expenses for the current period:

	2025	2024
Cost of inventories sold	\$ 8,269,776	\$ 7,578,133
Inventory valuation loss (reversal gain) (7,524)	16,206
	<u>\$ 8,262,252</u>	<u>\$ 7,594,339</u>

During Fiscal Year 2025, the Corporation's net realizable value of inventories increased due to the disposal of certain inventories with net realizable value lower than cost.

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

Item	December 31, 2025	December 31, 2024
Non-current items:		
Equity instruments		
Listed and OTC stocks	\$ 21,119	\$ 711,425
Non-publicly issued company stocks	67,908	64,916
Total	<u>\$ 89,027</u>	<u>\$ 776,341</u>

1. The Corporation chose to classify strategic equity investments as financial assets measured at fair value through other comprehensive income.
2. For information regarding the Company's fair value changes recognized in other comprehensive income for 2025 and 2024, please refer to Note 6(16), Other Equity Items.
3. The Company had no pledged financial assets measured at fair value through other comprehensive income as of December 31, 2025 and 2024.
4. In Fiscal Year 2025, due to working capital needs, the Company sold listed company stocks with a fair value of NT\$789,759, resulting in accumulated disposal gains (recorded in unappropriated earnings) of NT\$339,722. As of December 31, 2025, the amount of NT\$789,363 from the sale of some of the aforementioned stocks had not yet reached the settlement date and was listed under "Other Receivables." The payment was received on January 5, 2026. Due to working capital needs, shares of listed companies with a fair value of NT\$242,096 were sold in 2024, resulting in accumulated disposal gains (recorded in unappropriated earnings) of NT\$101,483.
5. The Corporation's stocks in listed companies had a capital reduction and stock refund in 2024, with an amount of \$68,968. In Fiscal Year 2025, there were no incidents of capital reduction and stock refund.

(VII) Investments accounted for using the equity method

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
PANGLOBALHOLDINGCO., LTD. (PGH)	\$ 10,540,597	\$ 10,759,602
PAN- INTERNATIONALELECTRONICS INC.(PIU)	264,422	268,471
PAN- INTERNATIONALELECTRONICS(TH AILAND) CO.LTD. (PIT)	177,947	180,989
Yann-Yang Investment Corp. (Yann- Yang Corp.)	111,359	101,644
GLOBALGREENCHAININNOVATIO N SDN.BHD. (GGCI)	471,140	-
	<u>\$ 11,565,465</u>	<u>\$ 11,310,706</u>

1. The Corporation's Share of Profit (Loss) of Subsidiaries Accounted for Using the Equity Method for Fiscal Year 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
PAN GLOBAL HOLDING CO., LTD. (PGH)	\$ 429,126	\$ 820,009
PAN-INTERNATIONAL ELECTRONICS INC.(PIU)	7,030	18,538
PAN-INTERNATIONAL ELECTRONICS (THAILAND)CO.LTD. (PIT)	(11,507)	(7,110)
Yann-Yang Investment Corp. (Yann-Yang Corp.)	9,262	(70,211)
GLOBAL GREENCHAIN INNOVATION SDN.BHD. (GGCI)	2,272	-
	<u>\$ 436,183</u>	<u>\$ 761,226</u>

2. In Fiscal Year 2025, The Corporation established GLOBAL GREENCHAIN INNOVATION SDN. BHD. (GGCI) at MYR 1 per share, issuing 60,500,000 new shares and acquiring 100% equity, with an acquisition price of \$427,865.
3. In Fiscal Year 2024, The Corporation subscribed to 4,090,900 new shares issued by PAN-INTERNATIONAL ELECTRONICS (THAILAND) CO. LTD. (PIT) at THB 50 per share, acquiring 45% equity.
4. The Corporation received cash dividends from investments accounted for using the equity method in the amounts of NT\$887,569 and NT\$92,501 for 2025 and 2024, respectively.
5. For information regarding the Corporation's subsidiaries, please refer to Note 4(3) of the Corporation's consolidated financial statements for Fiscal Year 2025.
6. The Corporation's investments accounted for using the equity method are recognized based on the profit and loss derived from its subsidiaries' financial statements audited by CPAs for the same period.

(VIII) Property, plant and equipment

	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Others</u>	<u>Construction in progress and equipment pending acceptance</u>	<u>Total</u>
January 1, 2025						
Cost	\$ 361,916	\$ 157,111	\$ 173,515	\$ 21,150	\$ 36,529	\$ 750,221
Accumulated depreciation	-	(18,531)	(173,515)	(19,562)	-	(211,608)
	<u>\$ 361,916</u>	<u>\$ 138,580</u>	<u>\$ -</u>	<u>\$ 1,588</u>	<u>\$ 36,529</u>	<u>\$ 538,613</u>
<u>2025</u>						
January 1	\$ 361,916	\$ 138,580	\$ -	\$ 1,588	\$ 36,529	\$ 538,613
Additions	-	4,033	91,140	1,379	1,805	98,357
Transfers	-	29,428	-	4,771	(36,529)	(2,330)
Depreciation	-	(4,078)	(9,671)	(1,182)	-	(14,931)
December 31	<u>\$ 361,916</u>	<u>\$ 167,963</u>	<u>\$ 81,469</u>	<u>\$ 6,556</u>	<u>\$ 1,805</u>	<u>\$ 619,709</u>
December 31, 2025						
Cost	\$ 361,916	\$ 190,572	\$ 264,655	\$ 27,300	\$ 1,805	\$ 846,248
Accumulated depreciation	-	(22,609)	(183,186)	(20,744)	-	(226,539)
	<u>\$ 361,916</u>	<u>\$ 167,963</u>	<u>\$ 81,469</u>	<u>\$ 6,556</u>	<u>\$ 1,805</u>	<u>\$ 619,709</u>
	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Others</u>	<u>Construction in progress and equipment pending acceptance</u>	<u>Total</u>
January 1, 2024						
Cost	\$ 17,567	\$ 15,943	\$ 173,515	\$ 19,702	\$ -	\$ 226,727
Accumulated depreciation	-	(15,943)	(173,515)	(19,493)	-	(208,951)
	<u>\$ 17,567</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 209</u>	<u>\$ -</u>	<u>\$ 17,776</u>
<u>2024</u>						
January 1	\$ 17,567	\$ -	\$ -	\$ 209	\$ -	\$ 17,776
Additions	-	-	-	1,448	36,529	37,977
Transfers	344,349	141,168	-	-	-	(485,517)
Depreciation	-	(2,588)	-	(69)	-	(2,657)
December 31	<u>\$ 361,916</u>	<u>\$ 138,580</u>	<u>\$ -</u>	<u>\$ 1,588</u>	<u>\$ 36,529</u>	<u>\$ 538,613</u>
December 31, 2024						
Cost	\$ 361,916	\$ 157,111	\$ 173,515	\$ 21,150	\$ 36,529	\$ 750,221
Accumulated depreciation	-	(18,531)	(173,515)	(19,562)	-	(211,608)
	<u>\$ 361,916</u>	<u>\$ 138,580</u>	<u>\$ -</u>	<u>\$ 1,588</u>	<u>\$ 36,529</u>	<u>\$ 538,613</u>

The Company's Board of Directors resolved to purchase a pre-sale factory office building on November 30, 2021, and in the first quarter of 2024, when it reached a usable state, it was transferred from prepaid property payments (listed under other non-current assets) to land, buildings and structures.

(IX) Investment property

	<u>Land</u>	<u>Buildings and structures</u>	<u>Total</u>
January 1, 2025			
Cost	\$ 32,413	\$ 43,647	\$ 76,060
Accumulated depreciation and impairment	-	(42,570)	(42,570)
	<u>\$ 32,413</u>	<u>\$ 1,077</u>	<u>\$ 33,490</u>
<u>2025</u>			
January 1	\$ 32,413	\$ 1,077	\$ 33,490
Depreciation	-	(220)	(220)
December 31	<u>\$ 32,413</u>	<u>\$ 857</u>	<u>\$ 33,270</u>
December 31, 2025			
Cost	\$ 32,413	\$ 41,320	\$ 73,733
Accumulated depreciation and impairment	-	(40,463)	(40,463)
	<u>\$ 32,413</u>	<u>\$ 857</u>	<u>\$ 33,270</u>
	<u>Land</u>	<u>Buildings and structures</u>	<u>Total</u>
January 1, 2024			
Cost	\$ 32,413	\$ 43,647	\$ 76,060
Accumulated depreciation and impairment	-	(42,350)	(42,350)
	<u>\$ 32,413</u>	<u>\$ 1,297</u>	<u>\$ 33,710</u>
<u>2024</u>			
January 1	\$ 32,413	\$ 1,297	\$ 33,710
Depreciation	-	(220)	(220)
December 31	<u>\$ 32,413</u>	<u>\$ 1,077</u>	<u>\$ 33,490</u>
December 31, 2024			
Cost	\$ 32,413	\$ 43,647	\$ 76,060
Accumulated depreciation and impairment	-	(42,570)	(42,570)
	<u>\$ 32,413</u>	<u>\$ 1,077</u>	<u>\$ 33,490</u>

1. Rental income and direct operating expenses of investment property:

	2025	2024
Rental income from investment property	\$ <u>4,564</u>	\$ <u>5,144</u>
Direct operating expenses arising from investment property that generated rental income during the period	(\$ <u>220</u>)	(\$ <u>220</u>)

2. The fair values of investment properties held by the Company as of December 31, 2025, and 2024 were NT\$239,149 and NT\$227,886, respectively. These valuations were obtained through government-announced information and fall under Level 3 fair value.

(X) Short-term borrowings

Nature of borrowings	December 31, 2025	Interest Rate	Collateral
Bank loans - unsecured borrowings	\$ <u>267,155</u>	4.45%	None

(XI) Other payables

	December 31, 2025	December 31, 2024
Salaries, bonuses and employee compensation payable	\$ 179,533	\$ 165,414
Others	<u>75,120</u>	<u>93,983</u>
	\$ <u>254,653</u>	\$ <u>259,397</u>

(XII) Pension

1. Defined benefit pension plan

(1) The Corporation has established defined benefit pension plans in accordance with the Labor Standards Act, which apply to the years of service for all regular employees before July 1, 2005, when the Labor Pension Act was implemented, as well as the subsequent years of service for employees who chose to continue being subject to the Labor Standards Act after the implementation of the Labor Pension Act. For employees who meet retirement conditions, pension payments are calculated based on years of service and the average salary of the 6 months before retirement. For each year of service up to 15 years (inclusive), two basis points are given, and for each year of service beyond 15 years, one basis point is given, with a maximum accumulation limit of 45 basis points. The Corporation contributes 6% of total monthly salaries to the pension fund, which is deposited in a dedicated account under the name of the Labor Pension Fund Supervisory Committee in the Trust Department of Bank of Taiwan. Additionally, at the end of each year, the Company estimates the balance of the aforementioned labor pension reserve account. If the balance is insufficient to pay the estimated pension amount calculated according to

the above method for employees who are expected to meet retirement conditions in the following year, the Company will make a one-time contribution to cover the difference by the end of March of the following year.

(2)The amounts recognized in the balance sheet are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Present value of defined benefit obligations	\$ 36,077	\$ 44,784
The Fair Value of Plan Assets	(57,993)	(62,516)
Net defined benefit assets are listed under "Other non-current assets"	<u>(\$ 21,916)</u>	<u>(\$ 17,732)</u>

(3)The change in net defined benefit (assets) liabilities is as follows:

	<u>Present value of defined benefit obligations</u>	<u>The Fair Value of Plan Assets</u>	<u>Net defined benefit liabilities</u>
2025			
Balance as of January 1	\$ 44,784	\$ 62,516	(\$ 17,732)
Current service cost	230	-	230
Interest expenses (income)	614	888	(274)
	<u>45,628</u>	<u>63,404</u>	<u>(17,776)</u>
Remeasurement:			
Plan Asset Return (Note)	-	3,814	(3,814)
Effect of changes in demographic assumptions	2	-	2
Effect of changes in financial assumptions	432	-	432
Experience adjustment	(760)	-	(760)
	<u>(326)</u>	<u>3,814</u>	<u>(4,140)</u>
Contribution to the pension fund	-	-	-
Pension paid	(9,225)	(9,225)	-
Balance as of December 31	<u>\$ 36,077</u>	<u>\$ 57,993</u>	<u>(\$ 21,916)</u>

(Note)The amounts do not include those included in interest income or expenses.

	<u>Present value of defined benefit obligations</u>	<u>The Fair Value of Plan Assets</u>	<u>Net defined benefit liabilities</u>
2024			
Balance as of January 1	\$ 56,030	\$ 63,631	(\$ 7,601)
Current service cost	299	-	299
Interest expenses (income)	<u>625</u>	<u>719</u>	<u>(94)</u>
	<u>56,954</u>	<u>64,350</u>	<u>(7,396)</u>
Remeasurement:			
Plan Asset Return (Note)	-	6,500	(6,500)
Effect of changes in demographic assumptions	(4)	-	(4)
Effect of changes in financial assumptions	(994)	-	(994)
Experience adjustment	<u>(48)</u>	<u>-</u>	<u>(48)</u>
	<u>(1,046)</u>	<u>6,500</u>	<u>(7,546)</u>
Contribution to the pension fund	<u>-</u>	<u>1,649</u>	<u>(1,649)</u>
Pension paid	<u>(11,124)</u>	<u>(9,983)</u>	<u>(1,141)</u>
Balance as of December 31	<u>\$ 44,784</u>	<u>\$ 62,516</u>	<u>(\$ 17,732)</u>

(Note) The amounts do not include those included in interest income or expenses.

- (4) The assets of the Corporation's defined benefit pension plan fund are entrusted to Taiwanese banks for management in accordance with the investment and operation plans determined annually by the fund. The entrustment is conducted within the proportions and financial scope specified by the fund, in line with Item Six of the Labor Pension Fund Income, Expenditure, Custody, and Utilization Regulations (i.e., deposits with domestic and foreign financial institutions, investments in domestic and foreign listed, over-the-counter, or private equity securities, and investments in domestic and foreign real estate securitization products, etc.). The related operations are supervised by the Labor Pension Fund Supervisory Committee. The utilization of the fund requires that the minimum annual earnings distributed upon settlement shall not fall below the return calculated based on the local banks' two-year time deposit rate. Any shortfall, upon approval by the competent authority, shall be funded by the national treasury. As the Corporation has no authority to participate in the operation and management of the Fund, it is unable to disclose the classification of the Fair Value of plan ASSETS in accordance with paragraph 142 of IAS 19. The Fair Value constituting the total assets of the Fund as of December 31, 2025 and 2024, please refer to the annual Labor Retirement Fund utilization reports announced by the government.

(5) The actuarial assumptions regarding the pension are summarized as follows:

	<u>2025</u>	<u>2024</u>
Discount rate	<u>1.35%</u>	<u>1.55%</u>
Future salaries increase rate	<u>2.00%</u>	<u>2.00%</u>

The assumptions regarding future mortality rates are based on the published statistics and empirical estimates of various countries.

The analysis of the present value of defined benefit obligations affected by changes in the main actuarial assumptions adopted is as follows:

	<u>Discount rate</u>		<u>Future salaries increase rate</u>	
	<u>Additions of 0.25%</u>	<u>Decrease of 0.25%</u>	<u>Additions of 0.25%</u>	<u>Decrease of 0.25%</u>
December 31, 2025				
Impact on the present value of defined benefit obligations	(\$ <u>539</u>)	<u>\$ 554</u>	<u>\$ 549</u>	(<u>\$ 537</u>)
December 31, 2024				
Impact on the present value of defined benefit obligations	(\$ <u>600</u>)	<u>\$ 616</u>	<u>\$ 612</u>	(<u>\$ 599</u>)

The aforementioned sensitivity analysis is based on analyzing the impact of a change in a single assumption under the condition that other assumptions remain unchanged. In practice, many assumptions may be interrelated in their changes. The sensitivity analysis is consistent with the method used to calculate the net pension liability on the balance sheet. The methods and assumptions used in the preparation of the sensitivity analysis for the current period are the same as those used in the previous period.

(6) The Group's expected contribution to the pension plan for the year 2026 is NT\$0.

(7) As of December 31, 2025, the weighted average expected life of the retirement plan is 6 years.

2. Defined Contribution Pension Plan

(1) Starting from July 1, 2005, the Corporation has established a defined contribution pension plan in accordance with the "Labor Pension Act," which applies to employees with Republic of China nationality. For employees who have chosen to adopt the labor pension system under the "Labor Pension Act," the Company and Tekcon contribute 6% of their monthly salaries to their individual pension accounts at the Bureau of Labor Insurance. Upon retirement, employees can receive their pension payments either as monthly pension payments or as a lump sum based on the balance of their individual pension accounts and accumulated earnings.

(2) The Corporation's pension costs recognized under the aforementioned pension plan for 2025 and 2024 were NT\$2,205 and NT\$1,876, respectively.

(XIII) Capital stock

As of December 31, 2025, the Company's authorized number of shares was 600,000,000 shares (including 30,000,000 shares reserved for employee stock options or bonds with stock options), with 518,346,282 shares issued and outstanding, at a par value of NT\$10 per share.

(XIV) Capital surplus

According to the Company Act, capital surplus from share premium in excess of par value and donations received can only be used to offset losses. When the company has no accumulated losses, it can be distributed as new shares or cash to shareholders in proportion to their original shareholdings. Additionally, according to the relevant provisions of the Securities and Exchange Act, when using the aforementioned capital surplus for capital increase, the annual total amount is limited to no more than 10% of the paid-in capital. The company shall not use capital surplus to offset capital losses unless the legal reserve is insufficient to cover such losses.

(XV) Retained Earnings

1. According to the Company's Articles of Incorporation, if there are profits in the annual final accounts, after paying all taxes in accordance with the law, the profits shall first be used to offset previous years' losses, then 10% shall be set aside as legal reserve. Any remaining profits shall be retained or distributed according to the resolution of the shareholders' meeting.
2. The Company authorizes the Board of Directors, with the attendance of more than two-thirds of directors and a resolution approved by a majority of the attending directors, to distribute all or part of the dividends and bonuses, capital surplus or legal reserve in cash. Such distribution is not subject to the requirement of shareholders' meeting resolution as mentioned in the preceding paragraph.
3. The Company is currently in a growth stage. The Company's dividend distribution policy must take into account factors such as current and future investment environment, capital requirements, domestic and international competition, capital budget, shareholders' interests, and long-term financial planning. Shareholders' dividends shall be appropriated from accumulated distributable earnings, of which no less than 15% of the current year's distributable earnings shall be distributed, and cash dividends shall constitute no less than 10% of the total shareholders' dividends.
4. The legal reserve shall not be used except for offsetting company losses and distributing new shares or cash in proportion to shareholders' original shareholding. However, when distributing new shares or cash, it is limited to the portion of such reserve that exceeds 25% of the paid-in capital.
5. When distributing earnings, the Company shall, in accordance with regulations, set aside special reserve for the debit balance of other equity items on the balance sheet date before distribution. When the debit balance of other equity items is subsequently reversed, the reversed amount can be included in distributable earnings.

6. The Company's shareholders' meetings held on May 26, 2025 and May 31, 2024 approved the following earnings distributions for 2024 and 2023:

	2024		2023	
	Amount	Dividend Per Share (NT\$)	Amount	Dividend Per Share (NT\$)
Legal reserve	\$ 114,569		\$ 125,854	
(Reversal of) Special reserve appropriated	(400,813)		25,528	
Cash dividends to shareholders	<u>570,181</u>	\$ 1.10	<u>673,850</u>	\$ 1.30
	<u>\$ 283,937</u>		<u>\$ 825,232</u>	

The above resolutions are consistent with the resolutions of the Board of Directors on March 11, 2025, and March 13, 2024. Please refer to the Market Observation Post System of the Taiwan Stock Exchange for details.

7. As of March 11, 2026, The Corporation has not yet approved the earnings distribution for 2025.

(XVI) Other equity

	Foreign Currency		Total
	Financial assets at FVTOCI	Translation Differences	
January 1, 2025	(\$ 426,029)	(\$ 583,894)	(\$ 1,009,923)
Unrealized gains and losses on financial instruments:			
–The Corporation	114,839	-	114,839
–Subsidiary	246,362	-	246,362
Valuation adjustments transferred to retained earnings			
–The Corporation	(339,722)	-	(339,722)
Foreign currency translation differences:			
–The Corporation	-	31,289	31,289
December 31, 2025	<u>(\$ 404,550)</u>	<u>(\$ 552,605)</u>	<u>(\$ 957,155)</u>

	Financial assets at FVTOCI	Foreign Currency Translation Differences	Total
January 1, 2024	(\$ 268,673)	(\$ 1,142,062)	(\$ 1,410,735)
Unrealized gains and losses on financial instruments:			
–The Corporation	6,374	-	6,374
–Subsidiary	(62,247)	-	(62,247)
Valuation adjustments transferred to retained earnings			
–Subsidiary	(101,483)	-	(101,483)
Foreign currency translation differences:			
–The Corporation	-	558,168	558,168
December 31, 2024	(\$ 426,029)	(\$ 583,894)	(\$ 1,009,923)

(XVII) Operating revenue

	2025	2024
Revenue from contracts with customers	\$ 8,879,313	\$ 8,152,703

1. Disaggregation of revenue from contracts with customers

The Corporation's revenue is derived from goods transferred at a point in time and can be disaggregated into the following main product lines:

2025	Electronic Components	Consumer Electronics and Computer Peripherals	Total
Segment Revenue	\$ 6,906,175	\$ 1,973,138	\$ 8,879,313

2024	Electronic Components	Consumer Electronics and Computer Peripherals	Total
Segment Revenue	\$ 6,312,118	\$ 1,840,585	\$ 8,152,703

2. Contract liabilities

The Group recognizes contract liabilities related to revenue from contracts with customers as follows:

	December 31, 2025	December 31, 2024	January 1, 2024
Contract liabilities	\$ 64,738	\$ 70,301	\$ 104,833

Revenue recognized from contract liabilities at beginning of period:

	2025	2024
Revenue recognized from contract liabilities balance at beginning of period	\$ 35,227	\$ 54,415

(XVIII) Other income

	2025	2024
Dividend income	\$ 37,182	\$ -
Rental income	5,262	5,144
Other income - others	1,799	1,708
	<u>\$ 44,243</u>	<u>\$ 6,852</u>

(XIX) Other gains and losses

	2025	2024
Net foreign currency exchange gains	\$ 12,655	\$ 13,149
Gains on Financial Assets at FVTPL	10,723	-
Others	(220)	(220)
	<u>\$ 23,158</u>	<u>\$ 12,929</u>

Gains on Financial Assets at FVTPL for Fiscal Year 2025 were generated from forward exchange transactions, all of which were settled as of December 31, 2025.

(XX) Employee benefits expenses, depreciation and amortization expenses

	2025			
	Operating Costs	Operating Expenses	Non-operating Expenses	Total
Employee benefits expenses				
Salaries (Note)	\$ 111	\$ 87,445	\$ -	\$ 87,556
Labor and health insurance premiums	17	6,580	-	6,597
Pension expenses	-	2,161	-	2,161
Compensation to directors	-	6,533	-	6,533
Other personnel expenses	151	9,284	-	9,435
	<u>\$ 279</u>	<u>\$ 112,003</u>	<u>\$ -</u>	<u>\$ 112,282</u>
Depreciation	<u>\$ 9,671</u>	<u>\$ 5,260</u>	<u>\$ 220</u>	<u>\$ 15,151</u>
Amortization	<u>\$ -</u>	<u>\$ 348</u>	<u>\$ -</u>	<u>\$ 348</u>

Note: Includes salaries and profit sharing bonus to employees.

	2024			
	Operating Costs	Operating Expenses	Non- operating Expenses	Total
Employee benefits expenses				
Salaries (Note)	\$ 54	\$ 85,620	\$ -	\$ 85,674
Labor and health insurance premiums	88	6,087	-	6,175
Pension expenses	67	2,014	-	2,081
Compensation to directors	-	7,653	-	7,653
Other personnel expenses	264	5,046	-	5,310
	<u>\$ 473</u>	<u>\$ 106,420</u>	<u>\$ -</u>	<u>\$ 106,893</u>
Depreciation	<u>\$ -</u>	<u>\$ 2,657</u>	<u>\$ 220</u>	<u>\$ 2,877</u>
Amortization	<u>\$ -</u>	<u>\$ 315</u>	<u>\$ -</u>	<u>\$ 315</u>

Note: Includes salaries and profit sharing bonus to employees.

1. The average number of employees at the end of each month for the current year and the previous year was 53 and 54, respectively, including 7 directors who are not concurrently employees in each year.
2. The average employee welfare expenses for 2025 and 2024 were NT\$2,299 and NT\$2,111, respectively; the average employee Salaries were NT\$1,903 and NT\$1,823, respectively, with an adjustment Change in average employee Salaries resulting in Additions of 4.39%.
3. The Corporation's compensation policy for directors and executive officers is established by the Compensation Committee, which regularly reviews the policies, standards, and structure of compensation and performance evaluation for directors and executive officers. The performance evaluation and compensation structure for directors and executive officers take into account not only the overall operational performance of the company and future industry trends but also industry salary levels, individual contributions, and achievement rates to provide appropriate and reasonable compensation. The results of the review by the Compensation Committee are submitted to the Board of Directors for approval. The Corporation's employee compensation policy is established with reference to industry market salary levels, while bonuses are evaluated based on overall company performance, individual performance, and contributions.
4. According to the Company's Articles of Incorporation, if the Company makes a profit for the year (profit refers to the profit before tax and before the distribution of employee compensation and director compensation), no less than 5% shall be allocated as employee compensation and no more than 0.5% shall be allocated as director compensation. These allocations shall be distributed by special resolution of the Board of Directors and reported to the shareholders' meeting. However, when the Company still has accumulated losses, the amount for compensation should be reserved in advance.

5. The Company's estimated employee remuneration amounted to NT\$50,934 and NT\$62,126 for the years 2025 and 2024, respectively. The estimated directors' remuneration amounted to NT\$5,093 and NT\$6,213, respectively, which were recorded under salary expenses.

In 2025, based on the profitability of the period (current year), the remuneration to employees and directors/supervisors were estimated at 5% and 0.5%, respectively. On March 11, 2026, the Company's Board of Directors resolved to actually distribute the 2025 employee remuneration of NT\$50,934 and director remuneration of NT\$5,093 in cash. The proposed distribution amounts do not differ from the amounts charged against earnings for 2025.

The employee compensation and director remuneration for 2024 as resolved by the Board of Directors were consistent with the amounts recognized in the 2024 financial statements.

The above information regarding employee compensation and director compensation approved by the Company's Board of Directors can be found on the Market Observation Post System.

(XXI) Income Tax

1. Income tax expenses

(1) Components of income tax expense:

	<u>2025</u>	<u>2024</u>
Current income tax:		
Income tax generated from current income	\$ 104,677	\$ 119,139
Additional tax on unappropriated earnings	43,088	21,666
Overestimation of income tax in prior years	(15,560)	-
Total current income tax	<u>132,205</u>	<u>140,805</u>
Deferred income tax:		
Origination and reversal of temporary differences	22,257	(3,288)
Income tax expenses	<u>\$ 154,462</u>	<u>\$ 137,517</u>

(2) Amount of income tax related to other comprehensive income:

	<u>2025</u>	<u>2024</u>
Remeasurements of defined benefit obligations	\$ 828	\$ 1,509

2. Relationship between income tax expenses and accounting profit

	<u>2025</u>	<u>2024</u>
Income Tax calculated on income before income tax at the statutory tax rate.	\$ 192,530	\$ 234,838
Income not subject to tax according to tax regulations.	(9,289)	14,042
No deferred tax liabilities are recognized for temporary differences.	(68,307)	(133,029)
Additional tax on unappropriated earnings	43,088	21,666
Overestimation of income tax in prior years	(15,560)	-
Income tax effect of the minimum tax system	<u>12,000</u>	<u>-</u>

3. The amounts of deferred tax assets or liabilities arising from temporary differences and tax losses are as follows:

	<u>2025</u>			
	<u>January 1</u>	<u>Recognized in profit or loss</u>	<u>Recognized in Other Comprehensive Income</u>	<u>December 31</u>
Temporary differences:				
-Deferred tax assets:				
Allowance for Valuation Loss of Inventories	\$ 4,037	(\$ 1,505)	\$ -	\$ 2,532
Unrealized exchange loss	544	(544)	-	-
Others	<u>4,711</u>	<u>-</u>	<u>(828)</u>	<u>3,883</u>
	<u>\$ 9,292</u>	<u>(\$ 2,049)</u>	<u>(\$ 828)</u>	<u>\$ 6,415</u>
-Deferred tax liabilities:				
Foreign investment gains accounted for using the equity method	(\$ 214,541)	(\$ 17,076)	\$ -	(\$ 231,617)
Unrealized profit on foreign exchange	<u>-</u>	<u>(3,132)</u>	<u>-</u>	<u>(3,132)</u>
	<u>(\$ 214,541)</u>	<u>(\$ 20,208)</u>	<u>\$ -</u>	<u>(\$ 234,749)</u>

	2024			
	January 1	Recognized in profit or loss	Recognized in Other Comprehens ive Income	December 31
Temporary differences:				
-Deferred tax assets:				
Allowance for Valuation Loss of Inventories	\$ 796	\$ 3,241	\$ -	\$ 4,037
Unrealized exchange loss	6,968	(6,424)	-	544
Others	6,627	(407)	(1,509)	4,711
	<u>\$ 14,391</u>	<u>(\$ 3,590)</u>	<u>(\$ 1,509)</u>	<u>\$ 9,292</u>
-Deferred tax liabilities:				
Foreign investment gains accounted for using the equity method	(\$ 221,419)	\$ 6,878	\$ -	(\$ 214,541)

4. As of December 31, 2025, and 2024, the Corporation assessed that the taxable temporary differences related to some investment subsidiaries would not reverse in the foreseeable future. Therefore, the deferred tax liabilities were not fully recognized. The temporary differences for which deferred tax liabilities were not recognized amounted to NT\$7,857,327 and NT\$8,122,495, respectively.
5. The Company's business income tax has been approved by the tax authority through 2023.
6. The Group has applied the exception provisions for recognizing deferred tax assets and liabilities related to Pillar Two income tax and disclosing relevant information.
7. The Group falls within the scope of the Pillar Two Model Rules published by the Organization for Economic Co-operation and Development. The Pillar Two legislation has not yet become effective in the jurisdictions where the Group's subsidiaries are registered. Therefore, as of December 31, 2025, the Corporation has no significant exposure to related current income tax.

The Corporation has applied the amendments to IAS 12 "Income Taxes" issued on May 23, 2023, implementing the exception provisions for recognizing deferred tax assets and liabilities related to Pillar Two income tax and relevant information.

(XXII) Share of Other Comprehensive Income (Loss) of Subsidiaries, Associates, and Joint Ventures Accounted for Using Equity Method

	2025	2024
Subsidiaries and Associates:		
-Valuation adjustments for equity instruments	\$ 246,362	(\$ 62,247)
-Remeasurements of defined benefit plans	630	1,498
	<u>\$ 246,992</u>	<u>(\$ 60,749)</u>

(XXIII) Earnings Per Share

	2025		
	After-tax Amount	Weighted Average Number of Outstanding Shares (Thousand Shares)	Earnings Per Share (NT\$)
<u>Basic earnings per share</u>			
Net profit for the period	<u>\$ 808,189</u>	518,346	<u>\$ 1.56</u>
<u>Diluted earnings per share</u>			
Net profit for the period	\$ 808,189		
Effect of Dilutive Potential Common Shares - Profit sharing bonus to employees	-	1,277	
Net profit for the period plus effect of potential common shares	<u>\$ 808,189</u>	<u>519,623</u>	<u>\$ 1.56</u>
		2024	
	After-tax Amount	Weighted Average Number of Outstanding Shares (Thousand Shares)	Earnings Per Share (NT\$)
<u>Basic earnings per share</u>			
Net profit for the period	<u>\$ 1,036,672</u>	518,346	<u>\$ 2.00</u>
<u>Diluted earnings per share</u>			
Net profit for the period	\$ 1,036,672		
Effect of Dilutive Potential Common Shares - Profit sharing bonus to employees	-	1,958	
Net profit for the period plus effect of potential common shares	<u>\$ 1,036,672</u>	<u>520,304</u>	<u>\$ 1.99</u>

(XXIV) Supplemental Cash Flow Information

1. Investing Activities Partially Paid in Cash:

	<u>2025</u>	<u>2024</u>
Purchase of property, plant and equipment	\$ 98,357	\$ 37,977
Add: Equipment Payable, Beginning of Period	440	-
Less: Equipment Payable, End of Period	(445)	(440)
Cash Paid for the Period	<u>\$ 98,352</u>	<u>\$ 37,537</u>

2. Investing activities partially collected in cash:

	<u>2025</u>	<u>2024</u>
Disposal of financial assets at FVTOCI	(\$ 789,759)	(\$ 242,096)
Receivables from the sale of stocks	789,759	-
Cash received for the period	<u>\$ -</u>	<u>(\$ 242,096)</u>

(XXV) Changes in Liabilities from Financing Activities

	<u>Short-term borrowings</u>	
	<u>2025</u>	
January 1	\$	-
Changes in Financing Cash Flows		265,027
Effect of changes in exchange rate		2,128
December 31	<u>\$</u>	<u>267,155</u>

The Corporation had no short-term borrowings in 2024. Please refer to Note 6(10).

VII. Related Parties Transactions

(I) Names and Relationships of Related Parties

<u>Related Party Name</u>	<u>Relationship with The Corporation</u>
Pan-International Precision Electronic Co., Ltd.	Subsidiary of the Corporation
PANGLOBALHOLDINGCO., LTD.	Subsidiary of the Corporation
Honghuasheng Precision Electronics (YanTai) Co., Ltd.	Subsidiary of the Corporation
Hon Hai Precision Industry Co., Ltd. and its subsidiaries (HON HAI and subsidiaries)	Has significant influence over the Corporation
SHARP CORPORATION and its subsidiaries (SHARP and subsidiaries)	Other related parties
Foxconn Technology Co., Ltd. and its subsidiaries (FOXCONN and subsidiaries)	Other related parties
GENERAL INTERFACE SOLUTION LIMITED	Other related parties
Cybertan Technology, Inc. and its subsidiaries	Other related parties
Ennoconn Corporation	Other related parties
Long Time Technology Co., Ltd.	Associate

(II) Significant Transactions with Related Parties

1. Operating revenue

	<u>2025</u>	<u>2024</u>
Sales of goods:		
Has significant influence over the Corporation		
- HON HAI and subsidiaries	\$ 4,622,580	\$ 3,283,260
Subsidiary	365,666	276,520
Other related parties	-	300,130
	<u>\$ 4,988,246</u>	<u>\$ 3,859,910</u>

Except for transactions where there are no similar transactions for reference and prices and credit terms are determined through mutual negotiation, the Corporation's selling prices to the above related parties are similar to those for general customers; the Corporation's collection period for related parties is approximately 30-120 days after the end of the month.

2. Purchase of goods

	<u>2025</u>	<u>2024</u>
Purchase of goods:		
Has significant influence over the Corporation		
- HON HAI and subsidiaries	\$ 1,321,146	\$ 1,387,382
Subsidiary		
- Honghuasheng Precision Electronics (YanTai) Co., Ltd.	3,707,675	3,569,823
- Pan-International Precision Electronic Co., Ltd.	899,726	775,601
- Others	106,000	56,016
	<u>\$ 6,034,547</u>	<u>\$ 5,788,822</u>

The above amounts include purchases of Goods, discounts and returns. The purchase prices and payment terms are determined through mutual negotiation. The payment terms for related parties are approximately 30-120 days after monthly closing.

3. Receivables from related parties

	<u>December 31,2025</u>	<u>December 31,2024</u>
Receivables from related parties:		
Has significant influence over the Corporation		
- HON HAI and subsidiaries	\$ 1,686,697	\$ 1,272,567
Subsidiary	67,126	48,237
Other related parties	-	84,532
	1,753,823	1,405,336
Less: Loss allowance	(712)	(566)
	<u>\$ 1,753,111</u>	<u>\$ 1,404,770</u>

The amounts receivable from related parties primarily arise from sales transactions, with payment terms of approximately 30-120 days after the end of the month. The receivables are unsecured and non-interest bearing.

4. Other receivables

	<u>December 31,2025</u>	<u>December 31,2024</u>
Other receivables from related parties:		
Subsidiary		
- PANGLOBALHOLDINGCO., LTD.	\$ 39,442	\$ 47,605
- Pan-International Precision Electronic Co., Ltd.	16,928	9,895
	<u>\$ 56,370</u>	<u>\$ 57,500</u>

Other receivables from related parties primarily consist of advances receivable.

5. Accounts payable

	<u>December 31,2025</u>	<u>December 31,2024</u>
Payables to related parties:		
Has significant influence over the Corporation		
- HON HAI and subsidiaries	\$ 323,554	\$ 436,462
Subsidiary		
- Honghuasheng Precision Electronics (YanTai) Co., Ltd.	831,278	1,083,073
- Pan-International Precision Electronic Co., Ltd.	155,725	128,448
- Others	70,265	17,602
	<u>\$ 1,380,822</u>	<u>\$ 1,665,585</u>

The payables to related parties mainly arise from purchases of goods and purchase agency transactions, and these payables are non-interest bearing.

6. Property transactions

Acquisitions of Financial Assets

	<u>2024</u>			
	<u>Item</u>	<u>Number of shares traded (Unit: shares)</u>	<u>Transaction Target</u>	<u>Acquisitions of price</u>
PAN-INTERNATIONAL ELECTRONICS (THAILAND) CO. LTD. (PIT)	Investments accounted for using the equity method	4,090,900	Number of shares	\$176,587

(III) Key management personnel compensation information

	<u>December 31,2025</u>	<u>December 31,2024</u>
Salaries and other short-term employee benefits	\$ 15,356	\$ 16,943
Post-employment benefits	<u>240</u>	<u>240</u>
	<u>\$ 15,596</u>	<u>\$ 17,183</u>

VIII. Pledged Assets

None.

IX. Significant Contingent Liabilities and Unrecognized Contract Commitments

(I) Contingencies

The Corporation does not have any significant contingent liabilities arising from legal claims in the ordinary course of business.

(II) Commitments

None.

X. Losses due to Major Disasters

None.

XI. Significant Subsequent Events

The Company resolved at a Board of Directors meeting on January 20, 2026, to acquire a 37.28% equity stake in Magnax BV, comprising a total of 1,061,761 shares of preferred and common stock, in order to obtain the research and development technology of Magnax BV. The total transaction consideration amounts to EUR 23,051 thousand, with full payment expected to be completed in 2026.

XII. Others

(I) Capital management

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern, maintain an optimal capital structure to reduce the cost of capital, and provide returns for shareholders. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt. The Corporation monitors its capital using the net debt ratio, which is calculated by dividing net debt by total equity. The calculation of net debt is total borrowings (including "current and non-current borrowings" reported in the Individual Balance Sheet) less cash and cash equivalents. The calculation of total equity is "equity" reported in the Individual Balance Sheet less total intangible assets.

The Corporation's strategy in 2025 remains the same as in 2024, which is to maintain the net debt ratio below 70%.

(II) Financial Instruments

1. Categories of financial instruments

The relevant amounts and information for the Company's financial assets measured at amortized cost under IFRS 9 (including cash and cash equivalents, financial assets measured at amortized cost, accounts receivable (including related parties), and other receivables) and financial liabilities measured at amortized cost (including notes payable, accounts payable (including related parties), and other payables) are detailed in the balance sheet and Note 6. The carrying amount of financial assets measured at fair value through other comprehensive income is detailed in Notes 6(6).

2. Risk Management Policy

(1) Types of Risks

The Corporation adopts a comprehensive financial risk management and control system to clearly identify, measure, and control various financial risks, including market risk (including currency risk, interest rate risk, and price risk), credit risk, and liquidity risk.

(2) Management Objectives

A. Among the aforementioned risks, except for market risk which is controlled by external factors, the rest can be eliminated through internal controls or operational procedures. Therefore, the management objective is to reduce each of these risks to zero.

B. As for market risk, through rigorous analysis, recommendations, execution, and procedures, appropriate consideration is given to external overall trends, internal operational conditions, and the actual impact of market fluctuations, with the objective of optimizing the overall position.

C. The Corporation's overall Risk Management Policy focuses on unpredictable events in financial markets and seeks to minimize potential adverse effects on the Corporation's financial position and financial performance.

(3) Management System

A. Risk management tasks are executed by The Corporation's Finance Department in accordance with policies approved by the Board of Directors. Through close collaboration with the Group's operating units, the Finance Department is responsible for identifying, evaluating, and hedging financial risks.

B. The Board of Directors has established written principles for overall risk management and provides written policies for specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and investment of excess liquidity.

3. Nature and Extent of Significant Financial Risks

(1) Market risk

Currency risk

A. Nature: As a multinational electronic manufacturing services provider, the Corporation's foreign exchange risks from operating activities primarily arise from:

- a. Foreign exchange risks arising from timing differences between accounts receivable and accounts payable recorded in non-functional currencies, resulting in exchange rate variations against the functional currency. Due to the small net amount after offsetting assets and liabilities, the resulting profit or loss impact is also minimal.
- b. In addition to the commercial transactions (operating activities) on the income statement mentioned above, foreign exchange risks also arise from recognized assets and liabilities on the balance sheet, as well as net investments in foreign operations.

B. Management

- a. For these types of risks, the Corporation has established policies requiring each company within the Group to manage foreign exchange risks relative to their functional currency.
- b. As for foreign exchange risks arising between functional currencies and the reporting currency of individual financial statements, these are managed centrally by the Group's Treasury Department.

C. Extent

The Group's operations involve several non-functional currencies (the functional currency of the Company and some subsidiaries is TWD, while some subsidiaries' functional currencies are Chinese Yuan and Malaysian Ringgit), and are therefore affected by exchange rate fluctuations. The information on foreign currency assets and liabilities significantly affected by exchange rate fluctuations is as follows:

	December 31, 2025				
	Foreign currency (thousand)	Exchange Rate	Carrying amount (NTD)	Sensitivity analysis	
				Degree of variation	Impact on profit or loss
(Foreign currency: functional currency)					
<u>Financial Assets</u>					
<u>Monetary items</u>					
USD:NTD	\$ 89,657	31.43	\$ 2,817,920	5%	\$ 140,896
<u>Non-monetary items</u>					
USD:NTD	364,432	31.43	11,454,106		
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD:NTD	77,632	31.43	2,439,974	5%	121,999

		December 31, 2024				
		Foreign currency (thousand)	Exchange Rate	Carrying amount (NTD)	Sensitivity analysis	
					Degree of variation	Impact on profit or loss
(Foreign currency: functional currency)						
<u>Financial Assets</u>						
<u>Monetary items</u>						
USD:NTD	\$	70,379	32.79	\$ 2,307,727	5%	\$ 115,386
<u>Non-monetary items</u>						
USD:NTD		341,844	32.79	11,209,062		
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD:NTD		70,449	32.79	2,310,023	5%	115,501

D. Nature

Due to exchange rate fluctuations, The Corporation's monetary items were significantly impacted. The total recognized exchange gains and losses (including realized and unrealized) for 2025 and 2024 were gains of NT\$12,655 and gains of NT\$13,149, respectively.

Price risk

- A. The Corporation's equity instruments exposed to price risk are classified as financial assets measured at fair value through other comprehensive income. To manage the price risk of equity instrument investments, the Corporation diversifies its investment portfolio according to the limits set by the Corporation.
- B. The Corporation primarily invests in equity instruments issued by domestic companies. The prices of these equity instruments are affected by uncertainties in the future value of the investment targets. If these equity instrument prices increased or decreased by 1%, with all other factors remaining constant, the impact on OTHER COMPREHENSIVE INCOME (LOSS) for 2025 and 2024 would increase or decrease by \$890 and \$7,763 respectively, due to gains or losses from financial assets classified as Financial assets at FVTOCI.

Cash flow and fair value interest rate risk

The Company's interest rate risk arises from short-term borrowings. Borrowings issued at fixed rates expose the Corporation to fair value interest rate risk. Based on assessment, the Corporation does not have significant interest rate risk.

(2) Credit risk

- A. The Corporation's credit risk refers to the risk of financial loss due to customers or counterparties of financial instruments failing to fulfill their contractual obligations. This risk mainly arises from counterparties' inability to settle accounts receivable according to payment terms and contractual cash flows

from debt instrument investments classified as measured at amortized cost. The Corporation's financial assets measured at amortized cost consist of corporate bonds with low credit risk, and therefore the allowance for losses for the period is measured at the amount of 12-month expected credit losses. There were no significant provisions for loss allowance.

B. According to the internally specified credit policy, each operating entity within the Group must conduct management and credit risk analysis for each new customer before establishing payment and delivery terms and conditions. Internal risk control is achieved by evaluating customers' credit quality through consideration of their financial status, past experience, and other factors. Individual risk limits are set by the Board of Directors based on internal or external ratings, and credit limit usage is regularly monitored.

C. The Corporation's basis for determining whether there has been a significant increase in credit risk of financial instruments since initial recognition is as follows:

When contractual payments are more than 60 days past due according to agreed payment terms, it is considered that the credit risk of financial assets has significantly increased since initial recognition.

D. When contractual payments are more than 90 days past due according to agreed payment terms, the Corporation considers it as a default.

E. The Group categorizes notes and accounts receivable from customers based on customer rating characteristics and adopts a simplified approach using the loss rate method as the basis for estimating expected credit losses.

F. The Group's indicators for determining whether debt instrument investments are credit-impaired are as follows:

(A) The issuer experiences significant financial difficulties, or the probability of entering bankruptcy or other financial reorganization significantly increases;

(B) The active market for the financial asset disappears due to the issuer's financial difficulties;

(C) The issuer delays or defaults on interest or principal payments;

(D) Adverse changes in national or regional economic conditions that lead to issuer default.

G. The aging analysis of notes and accounts receivable (including related parties) is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Not past due	\$ 2,279,444	\$ 2,188,173
Within 90 days	11,110	4,511
91-180 days	125	-
Over 181 days	476	-
	<u>\$ 2,291,155</u>	<u>\$ 2,192,684</u>

The above is an aging analysis based on the number of days past due.

H. Other receivables (including related parties)

The Corporation's other receivables mainly consist of tax refund receivables and receivables for payments made on behalf of others, with no significant concerns about default or repayment. Therefore, the allowance for losses is measured based on 12-month expected credit losses. The Corporation's loss allowance provision as of December 31, 2025 and 2024 was \$0.

I. The Corporation categorizes accounts receivable from customers based on credit rating standards and characteristics. The loss rates established using historical and current information for specific periods are adjusted for forward-looking considerations to estimate the allowance for losses on accounts receivable. The loss rate methods as of December 31, 2025 and 2024 are as follows:

	<u>Group 1</u>	<u>Group 2</u>	<u>Group 3</u>	<u>Group 4</u>	<u>Total</u>
<u>December 31, 2025</u>					
Expected loss rate	0.04%	0.04%	0.09%	0.10%	
Total carrying amount	<u>\$ 2,144,307</u>	<u>\$ 136,833</u>	<u>\$ -</u>	<u>\$ 10,015</u>	<u>\$ 2,291,155</u>
Less: Loss allowance	<u>\$ 880</u>	<u>\$ 55</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 945</u>
	<u>Group 1</u>	<u>Group 2</u>	<u>Group 3</u>	<u>Group 4</u>	<u>Total</u>
<u>December 31, 2024</u>					
Expected loss rate	0.04%	0.04%	0.09%	0.10%	
Total carrying amount	<u>\$ 1,933,808</u>	<u>\$ 246,998</u>	<u>\$ -</u>	<u>\$ 11,878</u>	<u>\$ 2,192,684</u>
Less: Loss allowance	<u>\$ 781</u>	<u>\$ 111</u>	<u>\$ -</u>	<u>\$ 12</u>	<u>\$ 904</u>

Group 1. Standard & Poor's, Fitch, or Moody's rating of A grade, or entities without external agency ratings but rated as A grade according to the Corporation's credit rating standards.

Group 2. Standard & Poor's or Fitch rating of BBB grade, Moody's rating of Baa grade, or None external agency ratings but rated as B or C grade according to the Corporation's credit rating standards.

Group 3. Standard & Poor's or Fitch rating of BB+ grade and below, or Moody's rating of Ba1 grade and below.

Group 4. Entities without external agency ratings and not rated as A, B, or C grade according to The Corporation's credit rating standards.

J. The changes in loss allowance for accounts receivable and other receivables under the Corporation's simplified approach are as follows:

	2025	2024
January 1	\$ 904	\$ 815
Impairment loss recognized	41	89
December 31	<u>\$ 945</u>	<u>\$ 904</u>

K. The Corporation's investments in debt instruments measured at amortized cost as of December 31, 2025 and 2024 were considered low credit risk, therefore their carrying amounts are measured based on 12-month expected credit losses after the balance sheet date.

(3) Liquidity risk

- A. Cash flow forecasts are performed by each operating entity within the company and aggregated by the company's finance department. The company's finance department monitors the forecast of the company's liquidity requirements to ensure it has sufficient funds to meet operational needs and maintains adequate unused borrowing facilities at all times to prevent the company from breaching borrowing limits or covenants. These forecasts take into consideration the company's debt financing plans, covenant compliance, meeting internal balance sheet ratio targets, and compliance with external regulatory requirements such as foreign exchange controls.
- B. When the remaining cash held by the Group exceeds the required working capital management needs, the finance department invests the surplus funds in interest-bearing demand deposits, time deposits, money market deposits, and securities. The selected instruments have appropriate maturities or sufficient liquidity to accommodate the aforementioned forecasts and provide adequate flexibility, and are expected to generate immediate cash flows to manage liquidity risk.
- C. All non-derivative financial liabilities of the Corporation will mature within one year.

(III) Fair value information

1. The definitions of different levels of valuation techniques used for measuring the fair value of financial and non-financial instruments are as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. An active market refers to a market where transactions for assets or liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair values of the Group's investments in listed/OTC stocks and beneficiary certificates belong to this category.

Level 2: Observable inputs for the asset or liability, either directly or indirectly, other

than quoted prices included in Level 1. The fair values of the Group's derivative instruments and other investments belong to this category.

Level 3: Unobservable inputs for the asset or liability. The Group's investments in equity instruments with no active market belong to this category.

2. For fair value information on investment property measured at cost, please refer to Note 6(9) for details.
3. Financial instruments not measured at fair value

The carrying amounts of the Company's financial instruments not measured at fair value (including cash and cash equivalents, financial assets at amortized costs, accounts receivable (including related parties), other receivables, other current assets, accounts payable (including related parties), other payables, and other current liabilities) are reasonable approximations of their fair values.

4. For financial and non-financial instruments measured at fair value by the Corporation, the Corporation classifies them based on the nature, characteristics and risks of assets and liabilities, and their fair value hierarchy levels. The relevant information is as follows:

- (1) The Corporation classifies assets and liabilities based on their nature. The relevant information is as follows:

December 31, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets:				
<u>Recurring fair value</u>				
Financial assets measured at fair value through other comprehensive income				
- Equity securities	<u>\$ 21,119</u>	<u>\$ -</u>	<u>\$ 67,908</u>	<u>\$ 89,027</u>
December 31, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets:				
<u>Recurring fair value</u>				
Financial assets measured at fair value through other comprehensive income				
- Equity securities	<u>\$ 711,425</u>	<u>\$ -</u>	<u>\$ 64,916</u>	<u>\$ 776,341</u>

- (2) The methods and assumptions used by the Corporation to measure fair value are described as follows:

- A. The market quotations used by the Corporation as fair value inputs (Level 1) are listed below according to the characteristics of the instruments:

	<u>Listed (OTC) company stocks</u>	<u>Open-end Funds</u>
Market quotation	Closing price	Net asset value

- B. Except for the financial instruments with active markets mentioned above, the fair values of other financial instruments are obtained through valuation techniques or by referring to counterparty quotations. The fair value obtained through valuation techniques can be determined by referring to the current fair value of other financial instruments with substantially similar terms and characteristics, or by using other valuation techniques, including models utilizing market information available at the individual balance sheet date.
- C. The valuation of derivative financial instruments is based on valuation models widely accepted by market participants, such as discounted cash flow method and option pricing models. Forward foreign exchange contracts are usually valued based on current forward exchange rates.
- D. The output of valuation models represents approximate estimates, and valuation techniques may not reflect all relevant factors of financial and non-financial instruments held by The Corporation. Therefore, the estimated values from valuation models are appropriately adjusted based on additional parameters, such as model risk or liquidity risk. According to the Corporation's fair value valuation model management policy and related control procedures, management believes that valuation adjustments are appropriate and necessary to properly present the fair values of financial and non-financial instruments in the Individual Balance Sheet. The price information and parameters used in the valuation process are carefully evaluated and appropriately adjusted according to current market conditions.
- E. The Group incorporates credit risk valuation adjustments into the fair value calculation of financial and non-financial instruments to reflect counterparty credit risk and the Group's credit quality respectively.
5. There were no transfers between Level 1 and Level 2 for the years 2025 and 2024.
6. The following table shows the movements of Level 3 items for the nine months ended September 30, 2025 and 2024:

	<u>Equity securities</u>	<u>Equity securities</u>
	2025	2024
January 1	\$ 64,916	\$ 64,208
Gains recognized in other comprehensive income	<u>2,992</u>	<u>708</u>
December 31	<u>\$ 67,908</u>	<u>\$ 64,916</u>

7. There were no transfers into or out of Level 3 in 2025 and 2024.
8. The Group's valuation process for fair value classified as Level 3 is conducted by the investment management department, which is responsible for independent fair value verification of financial instruments. The process ensures that valuation results are close to market conditions by using independent source data, confirming that data sources are independent, reliable, consistent with other resources and represent executable prices.

The department also regularly calibrates valuation models, performs back-testing, updates required inputs and data for valuation models, and makes any necessary fair value adjustments to ensure reasonable valuation results.

Additionally, the investment management department establishes fair value valuation policies and procedures for financial instruments and ensures compliance with relevant International Financial Reporting Standards.

9. The quantitative information about significant unobservable inputs used in Level 3 fair value measurement and the sensitivity analysis of changes in significant unobservable inputs are described below:

	Fair Value as of December 31, 2025	Valuation Technique	Significant Unobservable Input	Range (weighted average)	Relationship between inputs and fair value
Non-derivative equity instruments: Unlisted stocks	\$ 67,908	Comparable company method	Price-to-book ratio	1.09	The higher the multiple, the higher the fair value
			Lack of marketability discount	20%	The higher the market liquidity discount, the lower the fair value
	Fair value as of December 31, 2024	Valuation Technique	Significant Unobservable Input	Range (weighted average)	Relationship between inputs and fair value
Non-derivative equity instruments: Unlisted stocks	\$ 64,916	Comparable company method	Price-to-book ratio	1.12	The higher the multiple, the higher the fair value
			Lack of marketability discount	20%	The higher the market liquidity discount, the lower the fair value

10. The Corporation carefully evaluates and selects the valuation models and parameters used. However, using different valuation models or parameters may lead to different valuation results. For financial assets and financial liabilities classified as Level 3, if valuation parameters change, the impacts on current profit/loss or other comprehensive income are as follows:

<u>Financial Assets</u>	<u>Period</u>	<u>Inputs</u>	<u>Change</u>	<u>Recognized in Other Comprehensive Income</u>	
				<u>Favorable change</u>	<u>Unfavorable change</u>
Equity instruments	December 31, 2025	Price-to-book ratio	±1%	\$ 623	(\$ 623)
		Lack of marketability discount	±1%	\$ 849	(\$ 849)

<u>Financial Assets</u>	<u>Period</u>	<u>Inputs</u>	<u>Change</u>	<u>Recognized in Other Comprehensive Income</u>	
				<u>Favorable change</u>	<u>Unfavorable change</u>
Equity instruments	December 31, 2024	Price-to-book ratio	±1%	\$ 580	(\$ 580)
		Lack of marketability discount	±1%	\$ 811	(\$ 811)

XIII. Separately Disclosed Items

(I) Information on Significant Transactions

1. Loans to others: Please refer to Table 1.
2. Endorsements/guarantees provided for others: Please refer to Table 2.
3. Significant securities held at the balance as of September 30, 2023 (excluding investments in subsidiaries, associates and joint ventures): Please refer to Table 3.
4. Purchases from or sales to related parties amounting to NT\$100 million or 20% of paid-in capital or more: Please refer to Table 4.
5. Receivables from related parties amounting to NT\$100 million or 20% of paid-in capital or more: Please refer to Table 5.
6. Intercompany Relationships and Significant Intercompany Transactions: Please refer to Table 6.

(II) Information on Investees Companies

Names, locations and related information of investee companies (excluding investees in Mainland China): Please refer to Table 7.

(III) Information on investments in Mainland China

1. Basic information: Please refer to Table 8.
2. Significant transactions conducted with investee companies in Mainland China directly or indirectly through other companies in the third areas: Please refer to Table 4, 5 and 6.

XIV. OPERATING SEGMENTS INFORMATION

N/A

PAN-INTERNATIONAL INDUSTRIAL CORP.
FINANCINGS PROVIDED
For the Years Ended December 31, 2025

TABLE 1

Unit: NT\$ thousand (unless otherwise noted)

No. (Note 1)	Company lending funds	Counterparty	Financial	Whether it is a related party	Maximum	Balance at	Actual Disbursement Amount	Interest Rate	Nature for Financing (Note 4)	Transactio n Amounts (Note 5)	Reason for Short- term Financing Necessity (Note 6)	Allowance for Bad Debts	Collateral		Credit Limit for Each Borrowing Company	Financing Company's Total Financing Amount Limits	Remarks	
			Statement Account (Note 2)		Other Receivables - Related Parties	Balance for the Period (Note 3)							the end of the period (Note 8)	Item				Value
1	Honghuasheng Precision Electronics (YanTai) Co., Ltd.	CJ Electric Systems (Wuhu)Co., Ltd.	Other Receivables - Related Parties	Yes	\$ 539,520	\$ 539,520	\$ 539,520	2.70%- 2.79%	Short-term Financing	\$ -	Working Capital	\$ -	None	None	\$ 7,742,856	\$ 15,485,712	Note 7	
Note 1:	The descriptions of the number column are as follows: (1) The issuer fills in 0. (2) Investee companies are numbered sequentially starting from Arabic numeral 1 by company.																	
Note 2:	If items recorded as receivables from associates, receivables from related parties, shareholder transactions, prepayments, temporary payments, etc., are of a lending nature, they must all be filled in this field.																	
Note 3:	The maximum balance of funds lent to others during the current year.																	
Note 4:	The nature of fund lending should be specified as either business transaction-related or necessary for short-term financing.																	
Note 5:	For fund lending that is business transaction-related in nature, the business transaction amount should be filled in. The business transaction amount refers to the amount of business transactions between the lending company and the borrower in the most recent fiscal year.																	
Note 6:	For fund lending that is necessary for short-term financing, specific reasons for the necessary lending and the borrower's intended use of funds should be explained, such as: loan repayment, equipment purchase, business operations, etc.																	
Note 7:	When Honghuasheng Precision Electronics (YanTai) Co., Ltd. engages in fund lending, the total amount shall not exceed 400% of the lender's net worth; the limit for individual borrowers shall not exceed 200% of the lender's net worth.																	
Note 8:	When Dongguan Pan-International Precision Electronics Co., Ltd. engages in fund lending, the total amount shall not exceed 40% of the lender's net worth; the limit for individual borrowers shall not exceed 10% of the lender's net worth.																	
Note 9:	If a public company submits each fund lending case to the Board of Directors for resolution in accordance with Article 14, Paragraph 1 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies," even though the funds have not yet been disbursed, the amount approved by the Board should still be included in the announced balance to disclose the risk undertaken; however, upon subsequent repayment of funds, the remaining balance after repayment shall be disclosed to reflect the adjustment in risk. If a public company authorizes the Chairman to make loans in installments or on a revolving basis within a certain limit and a one-year period through a Board resolution in accordance with Article 14, Paragraph 2 of the Regulations, the fund lending limit approved by the Board should still be used as the announced balance. Even though funds may be repaid subsequently, considering that they could be loaned again, the fund lending limit approved by the Board should still be used as the announced balance.																	

PAN-INTERNATIONAL INDUSTRIAL CORP.
ENDORSEMENTS/ GUARANTEES PROVIDED
For the Years Ended December 31, 2025

TABLE 2

Unit: NT\$ thousand (unless otherwise noted)

No. (Note 1)	Name of Endorser/Gu arantor	Company	Relationship (Note 2)	Endorsee/Guarantee		Actual Amount Drawn Down (Note 6)	Secured by Property	Ratio of Accumulated Endorsement/Gu arantee to Net Equity in the Most Recent Financial Statements	Maximum Endorsement/ Guarantee Amount (Note 3)	Endorsements/ Guarantees Made by Parent Company to Subsidiaries (Note 7)	Endorsements/ Guarantees Made by Subsidiaries to Parent Company (Note 7)	Endorsements/ Guarantees Made to Companies in China (Note 7)	Remarks	
				Maximum and Guarantee Limit for a Single Enterprise (Note 3)	Highest and Guarantee Balance during the Period (Note 4)									
1	TRIALBER HAD	PAN- P.IEINDUS INTERNATION ALELECTRONI CS(MALAYSIA) SDN.BHD.	2	\$ 2,474,454	\$ 1,287,142	\$ 1,236,468	\$ 399,823	\$ -	8.29	\$ 4,948,908	N	N	N	
1	TRIALBER HAD	PAN- P.IEINDUS INTERNATION ALWIRE&CAB LE(MALAYSIA) SDN.BHD.	2	2,474,454	98,493	97,504	7,090	-	0.65	4,948,908	N	N	N	
2	Pan- International Precision Electronic Co., Ltd.	CJ Electric Systems (Wuhu)Co., Ltd.	4	1,886,163	866,304	458,592	89,920	-	3.08	1,886,163	N	N	Y	
2	Pan- International Precision Electronic Co., Ltd.	Chaohu Ruichang Electric System Co., Ltd.	4	1,886,163	45,730	-	-	-	0.00	1,886,163	N	N	Y	
2	Pan- International Precision Electronic Co., Ltd.	Wuhu Herzhong Automotive Electronics Co., Ltd.	4	1,886,163	22,865	-	-	-	0.00	1,886,163	N	N	Y	

Note 1: The descriptions of the number column are as follows:

- (1) The issuer fills in 0.
- (2) Investee companies are numbered sequentially starting from Arabic numeral 1 by company.

Note 2: There are 7 types of relationships between the endorser/guarantor and the endorsed/guaranteed party. Simply mark the type:

- (1) Having business relationship.
- (2) Companies in which the Company directly or indirectly holds more than 50% of voting shares.
- (3) Companies that directly and indirectly hold more than 50% of voting shares in the Company.
- (4) Between companies in which the Company directly and indirectly holds 90% or more of voting shares.
- (5) Companies that mutually guarantee each other as required by contracts for needs of contracting construction work or joint builders.
- (6) Companies that are guaranteed by all shareholders in proportion to their shareholding percentages due to joint investment relationship.
- (7) Joint and several guarantees for performance of pre-sale housing sales contracts between companies in the same industry in accordance with the Consumer Protection Act.

Note 3: The total amount of endorsements or guarantees provided by the Company to others shall not exceed 100% of the Company's net worth; the limit for endorsements or guarantees provided to any individual counterparty shall not exceed 50% of the Company's net worth; the total amount of endorsements or guarantees provided by the Company and its subsidiaries as a whole to others shall not exceed 100% of the Company's net worth; the amount of endorsements or guarantees provided by the Company and its subsidiaries as a whole to a single enterprise shall not exceed 50% of the Company's net worth. The total amount of endorsements or guarantees provided by P.IE Industrial Berhad to others shall not exceed 100% of its net worth; the limit for endorsements or guarantees provided to any individual entity shall not exceed 50% of its

net worth. For endorsements or guarantees between foreign subsidiaries in which the Company directly and indirectly holds 100% of voting shares, the total amount shall not exceed 100% of the guarantor's net worth, and the limit for any individual entity shall not exceed 100% of the guarantor's net worth.

Note 4: The maximum balance of endorsements or guarantees provided to others during the current year.

Note 5: The amount approved by the Board of Directors should be filled in. However, if the Board of Directors authorizes the Chairman to make decisions according to Article 12, Paragraph 8 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies", this refers to the amount decided by the Chairman.

Note 6: The actual amount drawn by the guaranteed company within the balance of endorsements/guarantees should be entered.

Note 7: 'Y' should only be filled in for endorsements/guarantees provided by listed parent companies to subsidiaries, by subsidiaries to listed parent companies, or for endorsements/guarantees in Mainland China.

PAN-INTERNATIONAL INDUSTRIAL CORP.
SECURITIES HELD AT END OF PERIOD (EXCLUDING INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES)
December 31, 2025

TABLE 3

Unit: NT\$ thousand (unless otherwise noted)

<u>Holding Company Name</u>	<u>Type of Securities</u>	<u>Name of Securities</u>	<u>Relationship with the Holding Company</u>	<u>Financial Statement Account</u>	<u>Number of Shares/ Beneficiary Certificates</u>	<u>Carrying Amount (Note 1)</u>	<u>Ownership Percentage</u>	<u>Fair Value</u>	<u>Remarks</u>
Pan-International Industrial Corp.	Corporate bonds	Shin Kong Life Insurance Co., Ltd. 2023 First Unsecured Cumulative Subordinated Corporate Bonds	None	Financial Assets Measured at Amortized Cost - Non-current	-	\$ 290,000	-	\$ 290,000	
Pan-International Industrial Corp.	Common Stock	Innolux Corporation	The major shareholder of the company is a major shareholder of Hon Hai Precision Industry Co., Ltd.	Financial Assets Measured at Fair Value through Other Comprehensive Income - Non-current	12,831,500	67,908	5.23	67,908	
P.I.E.INDUSTRIALBERHAD	Open-end Funds	AFFINHWANGAIIMANMONEYMARKETFUNDI	None	Financial Assets Measured at Fair Value through Profit or Loss - Current	17,822,114	82,805	0.07	82,805	
GLOBALGREENCHAIN INNOVATIONS DN.BHD.	Open-end Funds	AFFINHWANGAIIMANMONEYMARKETFUNDI	None	Financial Assets Measured at Fair Value through Profit or Loss - Current	96,987,871	450,583	0.40	450,583	
PANGLOBALHOLDINGCO.,LTD.	Class B Shares	CYBERTANTECHNOLOGYCORP.	Companies using equity method to evaluate investments in this company are the same as this company	Financial assets measured at fair value through other comprehensive income - non-current	28,498,993	895,992	16.87	895,992	
PANGLOBALHOLDINGCO.,LTD.	Common Stock	FSKHOLDINGSLIMITED	Companies using equity method to evaluate investments in this company are the same as this company	Financial assets measured at fair value through other comprehensive income - non-current	50,400,000	104,627	17.50	104,627	

Note 1: The disclosure standard for securities held at the end of period is securities with carrying amount reaching 5% or more of the total amount of that account.

PAN-INTERNATIONAL INDUSTRIAL CORP.
TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
For the Years Ended December 31, 2025

TABLE 4

Unit: NT\$ thousand (unless otherwise noted)

Company Name	Counterparty	Relationship	Transaction Details				Payment Terms and Reason for Abnormal Transaction		Notes/ Accounts Payable or Receivable		Remarks
			Purchase or Sale	Amount	% to Total	Credit Period	Unit Price	Credit Period	Balance	Percentage of Total Notes and Accounts Receivable (Payable)	
Pan-International Industrial Corp.	PAN-INTERNATIONALELECTRONICSINC.	The Company's indirectly invested subsidiary	Sales	\$ 263,353	3	120-day T/T after monthly closing	No comparison basis as not sold to other customers	No significant difference	\$ 35,256	2	
Pan-International Industrial Corp.	Cloud Network Technology Singapore Pte. Ltd.	Hon Hai Precision's Indirectly Invested Subsidiary	Sales	142,904	2	90-day T/T after monthly closing	No comparison basis as not sold to other customers	No significant difference	45,976	2	
Pan-International Industrial Corp.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Hon Hai Precision's Indirectly Invested Subsidiary	Sales	920,652	10	90-day T/T after monthly closing	No comparison basis as not sold to other customers	No significant difference	374,934	16	
Pan-International Industrial Corp.	FIH (Hong Kong) Limited	Hon Hai Precision's Indirectly Invested Subsidiary	Sales	299,223	3	90-day T/T after monthly closing	No comparison basis as not sold to other customers	No significant difference	93,466	4	
Pan-International Industrial Corp.	Hon Hai Precision Industry Co., Ltd.	Company accounted for using equity method by the Company	Sales	3,006,019	34	90-day T/T after monthly closing	No comparison basis as not sold to other customers	No significant difference	968,420	42	
P.I.EINDUSTRIALBERHAD	Cloud Network Technology Singapore Pte. Ltd.	Hon Hai Precision's Indirectly Invested Subsidiary	Sales	245,256		Net 30 days from the end of the month of when invoice is issued	No comparison basis as not sold to other customers	No significant difference	75,821	6	
Newocean Precision Component (Jiangxi) Co.,Ltd	Foxconn Interconnect Technology Limited Taiwan Branch (Cayman)	Hon Hai Precision's Indirectly Invested Subsidiary	Sales	1,117,603		Net 60 days from the end of the month of when invoice is issued	No comparison basis as not sold to other customers	No significant difference	586,800	100	
CJ Electric Systems (Wuhu)Co., Ltd.	YiBing Pan-International Vehicle Wire Co., Ltd.	The Company's indirectly invested subsidiary	Sales	564,457		Net 30 days from the end of the month of when invoice is issued	No sales to other customers for price comparison	No significant difference	316,549	48	
Pan-International Industrial Corp.	Honghuasheng Precision Electronics (YanTai) Co., Ltd.	The Company's indirectly invested subsidiary	Purchase of goods	3,707,675		Net 90 days from the end of the month of when invoice is issued	No comparison basis due to single supplier	No significant difference	(831,278)	(39)	
Pan-International Industrial Corp.	Pan-International Precision Electronic Co., Ltd.	The Company's indirectly invested subsidiary	Purchase of goods	899,727		Net 90 days from the end of the month of when invoice is issued	No comparison basis due to single supplier	No significant difference	(155,725)	(9)	
Pan-International Industrial Corp.	Foxconn Interconnect Technology Limited Taiwan Branch (Cayman)	Hon Hai Precision's Indirectly Invested Subsidiary	Purchase of goods	1,286,423		Net 90 days from the end of the month of when invoice is issued	No comparison basis due to single supplier	No significant difference	(304,274)	(22)	
Tekcon Huizhou Electronics Co., Ltd.	Huaian Fultong Trading Co., Ltd.	Hon Hai Precision's Indirectly Invested Subsidiary	Purchase of goods	185,495		Net 90 days from the end of the month of when invoice is issued	No comparison basis due to single supplier	No significant difference	(193,830)	(90)	
Tekcon Electronics Corp.	Foxconn Interconnect Technology Limited Taiwan Branch (Cayman)	Hon Hai Precision's Indirectly Invested Subsidiary	Purchase of goods	768,390		Net 120 days from the end of the month of when invoice is issued	No comparison basis due to single supplier	No significant difference	(169,742)	(85)	

PAN-INTERNATIONAL INDUSTRIAL CORP.
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
December 31, 2025

TABLE 5

Unit: NT\$ thousand (unless otherwise noted)

<u>Company Name</u>	<u>Counterparty</u>	<u>Relationship</u>	<u>Balance of Receivables from Related Parties (Note 1)</u>	<u>Turnover Rate</u>	<u>Overdue receivables from related parties Amount</u>	<u>Action Taken</u>	<u>Amounts Received in Subsequent Period</u>	<u>Allowance for Loss Provided</u>
Pan-International Industrial Corp.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Hon Hai Precision's Indirectly Invested Subsidiary	\$374,934	2.82 \$	-	-	\$ 92,512	\$ 150
Pan-International Industrial Corp.	Hon Hai Precision Industry Co., Ltd.	Company accounted for using equity method by the Company	968,420	3.83	1,931	Subsequent collection	301,589	391
Honghuasheng Precision Electronics (YanTai) Co., Ltd.	Pan-International Industrial Corp.	Parent company of our company	831,278	3.87	-	-	163,436	322
Pan-International Precision Electronic Co., Ltd.	Pan-International Industrial Corp.	Parent company of our company	155,725	6.33	458	Subsequent collection	81,921	-
Newocean Precision Component (Jiangxi) Co.,Ltd	Foxconn Interconnect Technology Limited Taiwan Branch (Cayman)	Hon Hai Precision's Indirectly Invested Subsidiary	586,800	2.51	-	-	380,790	235
CJ Electric Systems (Wuhu)Co., Ltd.	YiBing Pan-International Vehicle Wire Co., Ltd.	The Company's indirectly invested subsidiary	316,549	1.92	231,820	Subsequent collection	84,729	127

Note 1: For information regarding receivables from related party financing that reach NT\$100 million or 20% of paid-in capital, please refer to the explanation in Table 1.

PAN-INTERNATIONAL INDUSTRIAL CORP.
 BUSINESS RELATIONSHIPS, SIGNIFICANT TRANSACTIONS AND AMOUNTS BETWEEN PARENT COMPANY, SUBSIDIARIES AND AMONG SUBSIDIARIES
 For the Years Ended December 31, 2025

TABLE 6

Unit: NT\$ thousand (unless otherwise noted)
Trading Details (Note 4, Note 7)

<u>No.</u> (Note 1)	<u>Company Name</u>	<u>Counterparty</u>	<u>Relationship with</u> <u>Trading Party (Note 2)</u>	<u>Financial Statement</u> <u>Account</u>	<u>Amount</u>	<u>Payment Terms</u>	<u>Percentage of</u> <u>Consolidated Revenue or</u> <u>Total Assets (Note 3)</u>
0	Pan-International Industrial Corp.	Honghuasheng Precision Electronics (YanTai) Co., Ltd.	1	Purchase of goods	3,707,675	Note 5	17
0	Pan-International Industrial Corp.	Pan-International Precision Electronic Co., Ltd.	1	Purchase of goods	899,727	Note 5	4
0	Pan-International Industrial Corp.	PAN-INTERNATIONALELECTRONICSINC.	1	Sales	263,353	Note 5	1
1	Honghuasheng Precision Electronics (YanTai) Co., Ltd.	Pan-International Industrial Corp.	2	Accounts receivable	831,278	Note 5	3
2	Pan-International Precision Electronic Co., Ltd.	Pan-International Industrial Corp.	2	Accounts receivable	155,725	Note 5	1
3	CJ Electric Systems (Wuhu)Co., Ltd.	YiBing Pan-International Vehicle Wire Co., Ltd.	3	Sales	564,457	Note 6	3
3	CJ Electric Systems (Wuhu)Co., Ltd.	YiBing Pan-International Vehicle Wire Co., Ltd.	3	Accounts receivable	316,549	Note 6	1
<p>Note 1: Business transactions between the parent company and subsidiaries should be indicated separately in the number column. The numbering method is as follows: (1) Parent company is numbered 0 (2) The subsidiaries are numbered in order starting from "1".</p> <p>Note 2: There are three types of relationships with transaction parties. Simply indicate the type (If it's the same transaction between parent-subsidiary or between subsidiaries, no need for repeated disclosure). For example, transactions between the parent company and its subsidiaries need not be repeatedly disclosed by the subsidiaries if already disclosed by the parent company; similarly, for transactions between subsidiaries, if one subsidiary has already disclosed the transaction, the other subsidiary need not repeat the disclosure: (1) Parent company to subsidiary. (2) Subsidiary to parent company. (3) Subsidiary to subsidiary.</p> <p>Note 3: For calculating the ratio of transaction amounts to consolidated total revenue or total assets: for balance sheet items, calculate using the ending balance as a percentage of consolidated total assets; for income statement items, calculate using the accumulated amount at period end as a percentage of consolidated total revenue.</p> <p>Note 4: The disclosure standard for the above business transactions between parent company and subsidiaries is when the amounts of purchases, sales, and receivables from related parties reach 1% of total assets or 5% of revenue.</p> <p>Note 5: Transaction prices are negotiated, and payment terms are net 90 days from the end of the month of when the invoice is issued.</p> <p>Note 6: Transaction prices are negotiated, and payment terms are net 90 days from the end of the month of when the invoice is issued.</p> <p>Note 7: For information regarding receivables from related party financing that reach NT\$100 million or 20% of paid-in capital, please refer to the explanation in Table 1.</p>							

PAN-INTERNATIONAL INDUSTRIAL CORP.
NAMES, LOCATIONS AND RELATED INFORMATION OF INVESTEE COMPANIES (EXCLUDING INVESTEEES IN MAINLAND CHINA)
December 31, 2025

TABLE 7

Unit: NT\$ thousand (unless otherwise noted)

Name of Investor	Name of Investee Company	Location	Main Businesses and Products	Original Investment Amount	Balance as of September 30, 2023				Carrying Amount	Net Profit or Loss of the Investee	Investment Income (Loss) recognized in the current period.	Remarks
				End of Current Period	End of Last Year	Number of shares	%					
Pan-International Industrial Corp.	PANGLOBALHOLDINGCO.,LTD.	British Virgin Islands	Holding Company	\$1,759,731	\$1,759,731	6,726	100	\$10,540,597	\$429,126	\$429,126		
Pan-International Industrial Corp.	PAN-INTERNATIONALELECTRONICS INC.	U.S.A.	Sales of Electronic Related Products	73,142	73,142	28,000	100	264,422	7,030	7,030		
Pan-International Industrial Corp.	Yann-Yang Investment Corp.	Taiwan	Investment Company	363,997	363,997	33,316,236	100	111,359	9,262	9,262		
Pan-International Industrial Corp.	GLOBALGREENCHAININNOVATIONSDN.BHD.	Malaysia	Production and Sales of Electronic Products	427,865	-	60,500,000	100	471,140	2,272	2,272		
Pan-International Industrial Corp.	PAN-INTERNATIONALELECTRONICS (THAILAND)CO.,LTD.	Thailand	Production and Sales of Connection Cables	176,587	176,587	4,090,900	45	177,947	(25,571)	(11,507)		
Yann-Yang Investment Corp.	Tekcon Electronics Corp.	Taiwan	Production and Sales of Electronic Signal Cables with Connectors	393,898	393,898	21,960,504	83.58	102,578	11,082	9,262		
PANGLOBALHOLDINGCO.,LTD.	P.I.E.INDUSTRIALBERHAD(PIB)	Malaysia	Holding Company	43,845	43,845	197,459,985	51.42	2,455,404	147,106	81,558	Note 1	
PANGLOBALHOLDINGCO.,LTD.	BEYONDACHIEVEENTERPRISE LIMITED(BAE)	British Virgin Islands	Holding Company	301,728	301,728	9,600,000	100	765,701	3,202	3,202	Note 2	
PANGLOBALHOLDINGCO.,LTD.	TEAMUNIONINTERNATIONALLTD.(TUI)	Hong Kong	Holding Company	578,312	578,312	18,768,601	100	1,945,731	71,155	71,155	Note 3	
PANGLOBALHOLDINGCO.,LTD.	EASTHONESTHOLDINGSLIMITED(EHH)	Hong Kong	Holding Company	3,369,842	3,369,842	665,799,420	100	3,871,723	348,545	348,545	Note 4	
PANGLOBALHOLDINGCO.,LTD.	Long Time Technology Co., Ltd.	Taiwan	Electronic Components	646,000	646,000	20,187,500	16.93	382,429	(169,671)	(28,725)		
Tekcon Electronics Corp.	Long Time Technology Co., Ltd.	Taiwan	Electronic Components	250,000	250,000	7,812,500	5.48	148,011	(169,671)	(11,114)		
PAN-INTERNATIONALELECTRONICS(MALASIA)SDN.BHD.	PAN-INTERNATIONALCORPORATION(S)PTE.LTD.(PIS)	Singapore	Production and Sales of Electronic Signal Cables with Connectors	2,445	2,445	100,000	30	5,588	261	78	Note 5	

Note 1: The Company mainly invests indirectly through PIB in Pan-International Electronics (Malaysia) Sdn. Bhd. and Pan-International Wire & Cable (Malaysia) Sdn. Bhd. for the production of cables with connectors or electronic products and sales in Malaysia.

Note 2: The Company mainly invests indirectly through BAE in Newocean Precision Component (Jiangxi) Co., Ltd. For the disclosure of investment information in Mainland China, please refer to Table 8.

Note 3: The Company mainly invests indirectly through TUI in Pan-International Precision Electronic Co., Ltd. For the disclosure of investment information in Mainland China, please refer to Table 8.

Note 4: The Company mainly invests indirectly through EHH in Honghuasheng Precision Electronics (YanTai) Co., Ltd. For the disclosure of investment information in Mainland China, please refer to Table 8.

Note 5: The Company's subsidiary PIS conducted a cash capital increase in the first quarter of 2023, and the Group did not subscribe according to its shareholding ratio, resulting in a decrease in shareholding ratio to 30%.

Note 6: The figures in this table are presented in New Taiwan Dollars. For amounts involving foreign currencies, they are converted to New Taiwan Dollars using the exchange rate as of the financial report date.

PAN-INTERNATIONAL INDUSTRIAL CORP.
 INFORMATION ON INVESTMENT IN MAINLAND CHINA - BASIC INFORMATION
 For the Years Ended December 31, 2025

TABLE 8

Unit: NT\$ thousand (unless otherwise noted)

<u>Investee Company</u>	<u>Main Businesses and Products</u>	<u>Paid-in Capital</u>	<u>Investment Method (Note 2)</u>	<u>Accumulated Investment Amount Remitted from Taiwan at Beginning of Period</u>	<u>Remitted or repatriated amount of investment for the period</u>		<u>Accumulated Investment Amount Remitted from Taiwan at End of Period</u>	<u>Net Profit or Loss of the Investee</u>	<u>Percentage of Ownership in Direct or Indirect Investment</u>	<u>Investment Gain (Loss) Recognized in Current Period (Note of 3)</u>	<u>Carrying Amount as of Balance as of September 30, 2023</u>	<u>Accumulated Inward Remittance as of September 30, 2023</u>	<u>Remarks</u>
					<u>Outward Remittance</u>	<u>Inflow</u>							
Honghuasheng Precision Electronics (YanTai) Co., Ltd.	Manufacturing and sales of rigid single/double-sided printed circuit boards, rigid multi-layer printed circuit boards, flexible multi-layer printed circuit boards and other printed circuit boards	\$ 2,696,694	2	\$ 2,781,555	\$ -	\$ -	\$ 2,781,555	\$ 447,276	100	\$ 447,276	\$ 3,871,428	\$ 1,504,679	Note 4
Pan-International Precision Electronic Co., Ltd.	Manufacturing and sales of wires, cables, connection wires, connectors, and wire plugs	515,452	2	392,875	-	-	392,875	75,306	100	75,306	1,886,163	-	Note 6
Pan-International Sunrise Trading Corp.	Sales of cables, computer accessories, wireless Bluetooth devices, and turnkey solutions	13,488	3	-	-	-	-	8,593	100	8,593	124,550	-	
Fuyu properties (Shanghai) Co., Ltd.	Engaged in industrial design, other specialized design services, car rental, other general merchandise retail, computer and peripheral equipment, software sales, communication equipment retail, audio-visual equipment retail, auto and motorcycle parts and accessories retail, and e-commerce business for the aforementioned retail goods and equipment	5,267,176	2	856,468	-	-	856,468	227,937	16.87	-	895,992	-	Note 8
Newocean Precision Component (Jiangxi) Co.,Ltd	Production and operation of various plugs, sockets, and telecommunications business	301,728	2	-	-	-	-	3,202	100	3,202	765,699	-	
CJ Electric Systems (Wuhu)Co., Ltd.	Production and sales of automotive wire harness products	350,661	3	-	-	-	-	(42,397)	100	(42,397)	1,333,352	-	
YiBing Pan-International Vehicle Wire Co., Ltd.	Manufacturing of auto parts and accessories, intelligent in-vehicle equipment, etc.	168,510	3	-	-	-	-	(26,689)	100	(26,689)	47,228	-	

<u>Company</u>	<u>Cumulative Amount of Investments Remitted from Taiwan to Mainland China as of the end of the Period (Notes 5 and 6)</u>	<u>Investment Amounts Authorized by Investment Commission, MOEA</u>	<u>Investment limit in Mainland China According to Regulations of the Investment Commission, MOEA (Note 7)</u>
Pan-International Industrial Corp.	\$ 4,456,491	\$ 6,425,530	\$ -

Note 1: The figures in this table are presented in New Taiwan Dollars. For amounts involving foreign currencies, they are converted to New Taiwan Dollars using the exchange rate as of the financial report date.

Note 2: Investment methods are classified into the following three categories:

1. Directly invest in a company in mainland China.
2. Investment in Mainland China through a third-region company Pan Global Holding Co., Ltd
3. Other methods.

Companies reinvested in Mainland China through China investment enterprises include Pan-International Sunrise Trading Corp., CJ Electric Systems Co., Ltd., and YiBing Pan-International Vehicle Wire Co., Ltd. Except for those China investment enterprises that are holding companies, their reinvestments must obtain prior approval from the Investment Commission of the Ministry of Economic Affairs, while other reinvestments do not require application to the Investment Commission.

Note 3: The recognized investment gains/losses column, except for Pan-International Sunrise Trading Corp., are recognized based on financial reports that have been audited or reviewed by accountants.

Note 4: In the first quarter of 2012, the Company acquired 100% equity of EASTHONESTHOLDINGSLIMITED through its subsidiary Pan Global Holding Co., Ltd., and indirectly acquired Honghuasheng Precision Electronics (YanTai) Co., Ltd., with an approved investment amount of USD 107,217 thousand from the Investment Commission of the Ministry of Economic Affairs.

Note 5: As of September 30, 2025, the Company obtained approval from the Investment Commission of the Ministry of Economic Affairs for the following investment withdrawal cases:

<u>Date</u>	<u>Approval Document Number</u>	<u>Name of Investee Company</u>	<u>Original Investment Amount Remitted from Taiwan</u>
September 5, 2003	0920028972	Dongguan Junwang Technology Co., Ltd.	USD 91 thousand
December 9, 2010	09900496780	Saibo Digital Technology (Guangzhou) Co., Ltd.	476 thousand
May 30, 2011	10000205680	Yunnan Saibo Digital Technology Co., Ltd.	190 thousand
May 30, 2011	10000205690	Chongqing Saibotel Digital Square Co., Ltd.	454 thousand
May 30, 2011	10000205700	Nanchong Saibo Digital Square Co., Ltd.	58 thousand
			<u>USD 1,269 thousand</u>

Due to losses of these reinvested companies, the original investment amount remitted from Taiwan cannot be deducted from the mainland China investment quota.

Note 6: The Corporation obtained approval from the Ministry of Economic Affairs Investment Commission in November 2011 under Letter Economic-Review-Two No. 10000518690 to revoke the unapplied approved investment amount of USD 500 thousand in Pan-International Precision Electronic Co., Ltd. On October 30, 2014, the Corporation obtained approval from the Ministry of Economic Affairs Investment Commission under Letter Economic-Review-Two No. 10300233110 for the transfer of 42 companies, including Cyberport Digital Tech (Qingdao) Co., Ltd, to LE ZHIWAN RANCH HOLDING INVESTMENT LIMITED in Samoa. In March 2017, the Corporation obtained approval from the Ministry of Economic Affairs Investment Commission under Letter Economic-Review-Two No. 10600038030 to revoke the unapplied approved investment amount of USD 5,200 thousand in UER Technology Corporation (Shenzhen).

Note 7: In December 2022, the Company obtained the certificate of compliance with operational headquarters scope from the Industrial Development Bureau, Ministry of Economic Affairs (Letter No. 11120436260), effective from November 29, 2022 to November 28, 2025, during which period no investment limit calculation is required.

Note 8: In the second quarter of 2021, the Company's subsidiary Pan Global Holding Co., Ltd. sold its 16.87% Class A shares in Cybertan Technology Corp., indirectly disposing of its mainland China investment enterprise Fuyu Properties (Shanghai) Co., Ltd., As of September 30, 2025, the Company indirectly held 16.87% Class B shares in its reinvested enterprise Fuyu Properties (Shanghai) Co., Ltd.

PAN-INTERNATIONAL INDUSTRIAL CORP.

CASH AND CASH EQUIVALENTS

December 31, 2025

Detailed Statement 1

(In Thousands of New Taiwan Dollars)

<u>Item</u>	<u>Summary</u>				<u>Amount</u>
Demand deposits	NTD	70,467	thousand		\$ 70,467
	USD	16,924	thousand	Exchange Rate 31.4300	531,921
	HKD	553	thousand	Exchange Rate 4.0380	2,233
	RMB	424	thousand	Exchange Rate 4.4960	1,907
	JPY	64	thousand	Exchange Rate 0.2008	13
Time deposits	NTD	820,000	thousand		820,000
					<u>\$ 1,426,541</u>

PAN-INTERNATIONAL INDUSTRIAL CORP.
ACCOUNTS RECEIVABLE, NET
December 31, 2025

Detailed Statement 2

(In Thousands of New Taiwan Dollars)

Item	Summary	Amount	Remarks
Non-related party:			
Others		\$ 537,332	The balance of each minor customer is each Not exceeding 5% of the total amount of this Financial Statement Account.
Less: Loss allowance		(233)	
		<u>537,099</u>	
Relationship:			
Hon Hai Precision Industry Co., Ltd.		968,420	The balance of each minor customer is each Not exceeding 5% of the total amount of this Financial Statement Account.
Hongfujin Precision Industry (Wuhan) Co., Ltd.		374,934	
Others		410,469	
Less: Loss allowance		(712)	
		<u>1,753,111</u>	
		<u>\$ 2,290,210</u>	

PAN-INTERNATIONAL INDUSTRIAL CORP.

INVENTORIES

December 31, 2025

Detailed Statement 3

(In Thousands of New Taiwan Dollars)

Item	Summary	Amount		Remarks
		Cost	Net realizable value	
Raw materials		\$ 22,023	\$ 22,788	Using net realizable value as market price
Finished goods		<u>412,782</u>	<u>428,286</u>	“
		434,805	<u>\$ 451,074</u>	
Less: Allowance for Valuation Loss of Inventories		(<u>12,663</u>)		
		<u>\$ 422,142</u>		

PAN-INTERNATIONAL INDUSTRIAL CORP.
CHANGES IN FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
For the Years Ended December 31, 2025

Detailed Statement 4

(In Thousands of New Taiwan Dollars)

<u>Item</u>	<u>Beginning Balance</u>		<u>Additions for the current period (Note 1)</u>		<u>Decrease in the period (Note 2)</u>		<u>September 30, 2023</u>		<u>Provision of Guarantees or Pledges</u>	<u>Remarks</u>
	<u>Number of shares</u>	<u>Fair Value</u>	<u>Number of shares</u>	<u>Amount</u>	<u>Number of shares</u>	<u>Amount</u>	<u>Number of shares</u>	<u>Fair Value</u>		
Innolux Corporation	49,576,655	\$ 711,425	-	\$ -	(48,338,000)	(\$ 690,306)	1,238,655	\$ 21,119	None	
Sanchuang Digital Co., Ltd.	12,831,500	64,916	-	2,992	-	-	12,831,500	67,908	"	
		<u>\$ 776,341</u>		<u>\$ 2,992</u>		<u>(\$ 690,306)</u>		<u>\$ 89,027</u>		

Note 1. The increase for the current period is due to adjustments of the Unrealized Gain (Loss) on Financial Assets at FVTOCI.

Note 2. The decrease for the current period is due to adjustments of the Unrealized Gain (Loss) on Financial Assets at FVTOCI, as well as sales and refunds of share capital.

PAN-INTERNATIONAL INDUSTRIAL CORP.
CHANGES IN LONG-TERM EQUITY INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
For the Years Ended December 31, 2025

Detailed Statement 5

(In Thousands of New Taiwan Dollars)

Investee Company Name	Balance, beginning of period		Additions for the current period (Note)		Decrease in the period (Note)		Balance at the end of the period			Net asset value		Assets pledged as Collateral or Guarantee
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Percentag e of Ownersh p (%)	Amount	Unit Price (NT\$)	Total Price	
PANGLOBALHOLDING CO., LTD.	6,726	\$10,759,602	-	\$ 675,486	-	(\$ 894,491)	6,726	-	10,540,597	\$ -	\$10,540,597	None
PAN-INTERNATIONAL ELECTRONICSINC.	28,000	268,471	-	7,030	-	(11,079)	28,000	-	264,422	-	264,422	“
PAN-INTERNATIONAL ELECTRONICS(THAILAND) CO.LTD. (PIT)	4,090,900	180,989	-	8,465	-	(11,507)	4,090,900	-	177,947	-	177,947	“
Yann-Yang Investment Corp.	33,316,236	101,644	-	9,893	-	(178)	33,316,236	-	111,359	-	111,359	“
GLOBAL GREENCHAIN INNOVATION SDN. BHD. (GGCI)	-	-	60,500,000	471,140	-	-	60,500,000	-	471,140	-	471,140	“
		<u>\$11,310,706</u>		<u>\$ 1,172,014</u>		<u>(\$ 917,255)</u>			<u>\$11,565,465</u>		<u>\$11,565,465</u>	

Note 1. The amounts of increase and decrease for the current period include the share of profit or loss of subsidiaries, associates, and joint ventures accounted for using the equity method, exchange differences on foreign operations translations, actuarial gains or losses on defined benefit plans, unrealized gains or losses on financial assets measured at fair value through other comprehensive income of investee companies, changes in the investee company's equity, capital increase by cash of the investee company, and refund of share capital by the investee company.

PAN-INTERNATIONAL INDUSTRIAL CORP.

ACCOUNTS PAYABLE

December 31, 2025

Detailed Statement 6

(In Thousands of New Taiwan Dollars)

<u>Name of Supplier</u>	<u>Summary</u>	<u>Amount</u>	<u>Remarks</u>
Non-related party:			
Innolux Corporation		\$ 204,716	
CHAMPION ASIA INTERNATIONAL ELECTRONIC LIMITED		254,161	
Others		294,467	The balance of each minor supplier is each not exceeding 5% of the total amount of this Financial Statement Account.
		<hr/>	
		753,344	
Relationship:			
Honghuasheng Precision Electronics (YanTai) Co., Ltd.		831,278	
Foxconn Interconnect Technology Limited Taiwan Branch (Cayman)		304,274	
Pan-International Precision Electronic Co., Ltd.		155,725	
Others		89,545	The balance of each minor supplier is each not exceeding 5% of the total amount of this Financial Statement Account.
		<hr/>	
		1,380,822	
		<hr/>	
		<u>\$ 2,134,166</u>	

PAN-INTERNATIONAL INDUSTRIAL CORP.

OPERATING REVENUE

For the Years Ended December 31, 2025

Detailed Statement 7

(In Thousands of New Taiwan Dollars)

<u>Item</u>	<u>Quantity</u>	<u>Amount</u>	<u>Remarks</u>
Electronic Components	Note	\$ 6,906,233	
Computer and peripherals	“	<u>1,973,166</u>	
		8,879,399	
Less: Sales returns and allowances		<u>(86)</u>	
		<u>\$ 8,879,313</u>	

Note: Due to the wide variety of product types and specifications in sales and the inconsistency in pricing units, quantities are not disclosed.

PAN-INTERNATIONAL INDUSTRIAL CORP.

OPERATING COSTS

For the Years Ended December 31, 2025

Detailed Statement 8

(In Thousands of New Taiwan Dollars)

<u>Item</u>	<u>Amount</u>
Beginning balance of inventories	\$ 536,817
Add: Purchase of goods for the current period	8,152,255
Inventories as of September 30, 2023	(434,805)
Other operating costs	15,509
Write-downs and disposal of inventories	(7,524)
	<u>\$ 8,262,252</u>

PAN-INTERNATIONAL INDUSTRIAL CORP.

OPERATING EXPENSES

For the Years Ended December 31, 2025

Detailed Statement 9

(In Thousands of New Taiwan Dollars)

<u>Item</u>	<u>Selling and marketing expenses</u>	<u>General and administrative expenses</u>	<u>Research and development expenses</u>	<u>Impairment loss determined in accordance with IFRS 9</u>	<u>Total</u>	<u>Remarks</u>
Salaries	\$ 27,522	\$ 49,756	\$ 10,167	\$ -	\$ 87,445	
Professional service fees	1,890	27,215	-	-	29,105	
Import and export expenses	19,379	154	-	-	19,533	
Transportation costs	5,332	434	-	-	5,766	
Employee Benefits	2,562	4,957	1,217	-	8,736	
Commission expense	2,153	-	-	-	2,153	
Impairment loss determined in accordance with IFRS 9	-	-	-	41	41	
Depreciation	2,049	1,787	1,424	-	5,260	
Others	7,538	28,039	3,703	-	39,280	The balance of each minor Financial Statement Account is each not exceeding 5% of the total amount of this Financial Statement Account.
	<u>\$ 68,425</u>	<u>\$ 112,342</u>	<u>\$ 16,511</u>	<u>\$ 41</u>	<u>\$ 197,319</u>	