IRON FORCE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REVIEW REPORT

MARCH 31, 2026 AND 2025

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

Iron Force Industrial Co., Ltd. And Subsidiaries

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

INDEX

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Iron Force Industrial Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Iron Force Industrial Co., Ltd. and subsidiaries (the "Group") as at March 31, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months and three months ended March 31, 2026 and 2025, of changes in equity and of cash flows for the three months ended March 31 2026 and 2025, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of review

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

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2026 and 2025, and of its consolidated financial performance for the three months, and its consolidated cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission.

Liao, Fu-Ming　　　　　　　　　　Tsai, Bei-Hua

For and on behalf of PricewaterhouseCoopers, Taiwan

May 8, 2026

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

IRON FORCE INDUSTRIAL CO., LTD AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	ASSETS	Notes	March 31,2026 AMOUNT	%	December 31,2025 AMOUNT	%	March 31,2025 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 630,522	9	$ 759,829	11	$ 758,228	11
1110	Financial assets at fair value through profit or loss - current	6(2)	209,689	3	271,071	4	384,376	5
1136	Current financial assets at amortized cost	6(3)	199,000	3	79,000	1	400,000	6
1150	Notes receivable, net	6(4)	294	-	285	-	-	-
1170	Accounts receivable, net	6(4)	1,293,701	19	1,243,819	19	1,358,548	19
1200	Other receivables, net	6(5)	57,695	1	48,606	1	96,823	1
130X	Inventories	6(6)	1,178,857	17	1,239,247	19	1,185,545	17
1410	Prepayments		88,636	2	91,373	1	37,198	1
1479	Other current assets		7,536	-	9,035	-	3,594	-
11XX	**Total current assets**		3,665,930	54	3,742,265	56	4,224,312	60
	Non-current assets							
1535	Non-current financial assets at amortized cost	6(3)	1,019,006	15	853,410	13	777,977	11
1600	Property, plant and equipment	6(7) and 8	1,842,249	27	1,840,709	27	1,876,283	27
1755	Right-of-use assets	6(8)	157,169	2	160,752	2	60,642	1
1780	Intangible assets		24,930	-	24,033	-	32,889	-
1840	Deferred tax assets		29,750	1	31,948	1	22,639	-
1900	Other non-current assets	6(9)	77,443	1	81,855	1	91,222	1
15XX	**Total non-current assets**		3,150,547	46	2,992,707	44	2,861,652	40
1XXX	**Total assets**		$ 6,816,477	100	$ 6,734,972	100	$ 7,085,964	100

(Continued)

IRON FORCE INDUSTRIAL CO., LTD AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	LIABILITIES AND EQUITY	Notes	March 31,2026 AMOUNT	%	December 31,2025 AMOUNT	%	March 31,2025 AMOUNT	%
	Current liabilities							
2120	Financial liabilities at fair value through profit or loss - current	6(2)	$ -	-	$ 172	-	$ 451	-
2130	Current contract liabilities	6(17)	108	-	88	-	15	-
2170	Accounts payable		272,973	4	305,875	5	279,177	4
2200	Other payables	6(10)	273,347	4	360,389	5	291,979	4
2230	Current tax liabilities		51,762	1	50,376	1	54,887	1
2280	Current lease liabilities		9,539	-	11,130	-	2,461	-
2320	Long-term liabilities, current portion	6(12)	8,577	-	8,570	-	8,246	-
2399	Other current liabilities	6(7)	3,843	-	3,875	-	4,419	-
21XX	**Total current liabilities**		620,149	9	740,475	11	641,635	9
	Non-current liabilities							
2530	Corporate bonds payable	6(11)	269,263	4	267,613	4	282,615	4
2540	Non-current portion of long-term borrowings	6(12)	19,661	-	21,903	-	27,653	-
2570	Deferred tax liabilities		577,691	9	541,028	8	572,295	8
2580	Non-current lease liabilities		94,275	1	97,957	1	4,289	-
2600	Other non-current liabilities		33,151	1	37,478	1	32,969	1
25XX	**Total non-current liabilities**		994,041	15	965,979	14	919,821	13
2XXX	**Total liabilities**		1,614,190	24	1,706,454	25	1,561,456	22
	Equity attributable to owners of parent							
	Share capital	6(14)						
3110	Ordinary share		797,797	12	797,797	12	795,313	11
	Capital surplus	6(15)						
3200	Capital surplus		1,199,549	18	1,199,549	18	1,181,837	16
	Retained earnings	6(16)						
3310	Legal reserve		838,803	12	838,803	12	765,168	11
3320	Special reserve		211,041	3	211,041	3	331,725	5
3350	Unappropriated retained earnings		2,199,305	32	2,130,095	32	2,530,944	36
	Other equity interest							
3400	Other equity interest		(44,208)	(1)	(148,767)	(2)	(80,479)	(1)
3XXX	**Total equity**		5,202,287	76	5,028,518	75	5,524,508	78
	Significant contingent liabilities and unrecognized contractual commitments	9						
	Significant subsequent events	11						
3X2X	**TOTAL LIABILITIES AND EQUITY**		$ 6,816,477	100	$ 6,734,972	100	$ 7,085,964	100

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

IRON FORCE INDUSTRIAL CO., LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Item	Notes	2026 AMOUNT	2026 %	2025 AMOUNT	2025 %
4000	Sales revenue	6(17)	$ 1,226,898	100	$ 1,282,087	100
5000	Operating costs	6(6)(18)	(952,234)	(78)	(961,751)	(75)
5900	Gross profit from operations		274,664	22	320,336	25
	Operating expenses	6(18)				
6100	Selling expenses		(37,606)	(3)	(37,832)	(3)
6200	General & administrative expenses		(100,996)	(8)	(102,962)	(8)
6300	Research and development expenses		(32,666)	(3)	(42,420)	(3)
6450	(Impairment loss) reversal of impairment loss determined in accordance with IFRS 9	12(2)	(425)	-	2,821	-
6000	Total operating expenses		(171,693)	(14)	(180,393)	(14)
6900	Net operating income		102,971	8	139,943	11
	Non-operating income and expenses					
7100	Interest income	6(3)	8,238	1	10,337	1
7010	Other income	7	99	-	84	-
7020	Other gains and losses	6(2)(5)(19)	(7,614)	(1)	57,209	4
7050	Finance costs	6(8)(12)	(2,705)	-	(2,923)	-
7000	Total non-operating income and expenses		(1,982)	-	64,707	5
7900	**Profit before tax**		100,989	8	204,650	16
7950	Income tax expense	6(20)	(31,779)	(2)	(58,278)	(4)
8200	**Profit for the period**		$ 69,210	6	$ 146,372	12
	Other comprehensive income					
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		130,699	10	163,203	13
8399	Income tax relating to the components of other comprehensive income	6(20)	(26,140)	(2)	(32,641)	(3)
8300	**Other comprehensive income, net**		$ 104,559	8	$ 130,562	10
8500	**Total comprehensive income for the period**		$ 173,769	14	$ 276,934	22
	Profit, attributable to					
8610	Owners of the parent		$ 69,210	6	$ 146,372	12
	Comprehensive income attributable to					
8710	Owners of the parent		$ 173,769	14	$ 276,934	22
	Earnings per share (in dollars)	6(21)				
9750	Basic earnings per share		$	0.87	$	1.84
9850	Diluted earnings per share		$	0.85	$	1.79

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

IRON FORCE INDUSTRIAL CO., LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Equity attributable to owners of the parent						
				Retained Earnings				
	Notes	Ordinary share	Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Total equity
Three months ended March 31,2025								
Balance at January 1, 2025		$ 795,313	$ 1,181,837	$ 765,168	$ 331,725	$ 2,384,572	($ 211,041)	$ 5,247,574
Profit for the period		-	-	-	-	146,372	-	146,372
Other comprehensive income for the period		-	-	-	-	-	130,562	130,562
Total comprehensive income		-	-	-	-	146,372	130,562	276,934
Balance at March 31, 2025		$ 795,313	$ 1,181,837	$ 765,168	$ 331,725	$ 2,530,944	($ 80,479)	$ 5,524,508
Three months ended March 31,2026								
Balance at January 1, 2026		$ 797,797	$ 1,199,549	$ 838,803	$ 211,041	$ 2,130,095	($ 148,767)	$ 5,028,518
Profit for the period		-	-	-	-	69,210	-	69,210
Other comprehensive income for the period		-	-	-	-	-	104,559	104,559
Total comprehensive income		-	-	-	-	69,210	104,559	173,769
Balance at March 31, 2026		$ 797,797	$ 1,199,549	$ 838,803	$ 211,041	$ 2,199,305	($ 44,208)	$ 5,202,287

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

IRON FORCE INDUSTRIAL CO., LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Three months ended March 31 2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 100,989	$ 204,650
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(7)(8)(18)	51,534	46,413
Amortization	6(18)	4,192	4,333
Impairment (Reversal of) loss	12(2)	425	(2,821)
Net gain on financial assets at fair value through profit or loss	6(2)(19)	(35,004)	(32,812)
Interest expense		2,705	2,923
Interest income		(8,238)	(10,337)
Loss on disposal of property, plant and equipment	6(19)	233	32
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		96,386	(76,676)
Notes receivable		(9)	-
Accounts receivable		(50,307)	(82,796)
Other receivables		(2,111)	1,322
Inventories		60,390	22,122
Prepayments		2,737	9,222
Other current assets		2,411	3,424
Changes in operating liabilities			
Financial liabilities at fair value through profit or loss		(172)	-
Current contract liabilities		20	(77)
Accounts payable		(32,902)	5,989
Other payables		(81,673)	(55,207)
Other current liabilities		(32)	495
Other non-current liabilities		(4,327)	(5,853)
Cash inflow generated from operations		107,247	34,346
Interest received		1,260	4,279
Income tax paid		(18,584)	(19,817)
Interest paid		(1,055)	(1,194)
Net cash flows from operating activities		88,868	17,614
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortized cost		(257,220)	-
Acquisition of property, plant and equipment	6(22)	(32,817)	(68,758)
Proceeds from disposal of property, plant and equipment		-	2,103
Acquisition of intangible assets		(5,089)	(1,614)
Proceeds from disposal of non-current assets held for sale		-	116,166
Increase in other non-current asset		704	(594)
Net cash flows (used in) from investing activities		(294,422)	47,303
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of long-term debt	6(23)	(2,139)	(1,587)
Payments of lease liabilities	6(23)	(3,643)	(658)
Net cash flows used in financing activities		(5,782)	(2,245)
Effect of exchange rate changes on cash and cash equivalents		82,029	85,271
Net (decrease) increase in cash and cash equivalents		(129,307)	147,943
Cash and cash equivalents at beginning of period		759,829	610,285
Cash and cash equivalents at end of period		$ 630,522	$ 758,228

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

IRON FORCE INDUSTRIAL CO., LTD AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organization

Iron Force Industrial Co., Ltd. (the "Company") was incorporated in April 1977 as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) and listed on the Taiwan Stock Exchange on November 25, 2013. The Company is primarily engaged in manufacturing and trading of airbag inflators for automotive safety systems and high precision metal tubes for seatbelt retractor/pretensioner systems, and trading of display fixtures and other metal parts.

2. The Date of Authorization for Issuance of the Financial Statements and Procedures for Authorization

These consolidated financial statements were authorized for issuance by the Board of Directors on May 8, 2026.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of Amendments to IFRS 9 and IFRS 7, ' Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS 9 and IFRS 7, ' Contracts referencing nature-dependent electricity'	January 1, 2026
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

None.

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

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

New Standards, Interpretations and Amendments	Effective date 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 of Hyperinflationary Presentation Currency'	January 1, 2027

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

Except for the following which is to be assessed, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

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

4. Summary of Significant Accounting Policies

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2025, except for the compliance statement, basis of preparation and basis of consolidation as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

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

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

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

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

B. Subsidiaries included in the consolidated financial statements:

			Ownership(%)			
Name of investor	Name of subsidiary	Main business activities	March 31,2026	December 31,2025	March 31,2025	Note
The Company	Transtat Investment Ltd. (Transtat)	Holding company	100%	100%	100%	-
The Company	Cortec GmbH	Sales of hangers and display fixtures	100%	100%	100%	-
The Company	Iron Force Poland Sp. z o.o.	Producing and sales of automotive safety components	100%	100%	100%	-
Transtat	Zhejiang Iron Force Metal Products Co., Ltd.	Producing and sales of hangers and display fixtures	100%	100%	100%	-
Transtat	Huzhou Iron Force Metal Products Co., Ltd.	Producing and sales of automotive safety components	100%	100%	100%	-
Cortec GmbH	Cortec Kunststoff Technik GmbH & Co. KG	Producing and sales of hangers and display fixtures	100%	100%	100%	-
Cortec GmbH	Cortec Verwaltungs GmbH	Management consulting company	100%	100%	100%	-

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Employee benefits－defined benefit plan

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

(5) Income taxes

If there are changes in tax rates in interim period, the Group recognizes a one-time effect of the changes in the period of occurrence. For the income taxes related to items not recognized in profit or loss, the effect of the changes is recognized in other comprehensive income or equity items. For the income taxes related to items recognized in profit or loss, the effect of the changes is recognized in profit or loss.

5. Critical judgements in applying the Company's accounting policies

There were no significant changes during the period. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2025.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	March 31,2026	December 31,2025	March 31,2025
Petty cash and cash on hand	$ 277	$ 290	$ 246
Checking accounts and demand deposits	389,980	385,030	461,797
Time deposits	178,866	194,367	202,473
Short-term notes and bills	61,399	180,142	93,712
	$ 630,522	$ 759,829	$ 758,228

A. Time deposits and short-term notes and bills on March 31, 2026, December 31, 2025 and March 31, 2025 were listed as highly liquid investments expiring within three months and the annual interest rates ranged from 1.43%~3.65%, 1.39%~2.10% and 1.43%~4.65%, respectively.

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

C. The Group has no cash and cash equivalents pledged to others.

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

Items	March 31,2026	December 31,2025	March 31,2025
Financial assets mandatorily measured at fair value through profit or loss			
Beneficiary certificates	$ 79,091	$ 175,264	$ 17,956
Forward foreign exchange contracts	130,403	95,110	21,005
Derivative Instruments－redemption rights of convertible bonds	195	697	150
Structured deposits	-	-	345,265
	$ 209,689	$ 271,071	$ 384,376
Financial liabilities mandatorily measured at fair value through profit or loss			
Forward foreign exchange contracts	$ -	$ 172	$ 451

A. Amounts recognized in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Three months ended March 31	
	2026	2025
Financial assets mandatorily measured at fair value through profit or loss		
Forward foreign exchange contracts	$ 35,253	$ 30,700
Structured deposits	-	1,534
Beneficiary certificates	253	728
Derivative Instruments－redemption rights of convertible bonds	(502)	(150)
	$ 35,004	$ 32,812

B. Details of the transactions and contract information in respect of the Group's derivative financial assets / liabilities which were not accounted for under hedge accounting are as follows:

Financial instruments	March 31,2026 Contract amount (notional principal) (in dollars)	Contract period
Forward foreign exchange contracts - pre-purchase	RMB 85,000,000	2025/07/28~2026/07/30
Forward foreign exchange contracts - pre-purchase	RMB 85,000,000	2025/07/28~2026/07/30
Forward foreign exchange contracts - pre-purchase	RMB 80,000,000	2025/07/28~2026/07/30
Forward foreign exchange contracts - pre-sale	USD 1,100,000	2026/01/20~2026/04/02
Forward foreign exchange contracts - pre-sale	USD 1,400,000	2026/01/20~2026/05/07

Financial instruments	December 31,2025 Contract amount (notional principal) (in dollars)	Contract period
Forward foreign exchange contracts - pre-purchase	RMB 85,000,000	2025/07/28~2026/07/30
Forward foreign exchange contracts - pre-purchase	RMB 85,000,000	2025/07/28~2026/07/30
Forward foreign exchange contracts - pre-purchase	RMB 80,000,000	2025/07/28~2026/07/30
Forward foreign exchange contracts - pre-sale	USD 150,000	2025/09/30~2026/01/13

Financial instruments	March 31,2025 Contract amount (notional principal) (in dollars)	Contract period
Forward foreign exchange contracts - pre-purchase	RMB 85,000,000	2024/07/29~2025/07/30
Forward foreign exchange contracts - pre-purchase	RMB 100,000,000	2024/07/29~2025/07/30
Forward foreign exchange contracts - pre-purchase	RMB 65,000,000	2024/07/29~2025/07/30
Forward foreign exchange contracts - pre-sale	USD 2,200,000	2024/12/13~2025/04/14
Structured investments	RMB 75,000,000	2025/03/21~2025/06/23

(a) The Group entered into forward foreign exchange contracts to buy/sell to hedge exchange rate risk of export proceeds. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

(b) The structured instruments signed by the Group are principal-protected floating-income transactions to obtain exchange rate spreads.

C. Information relating to credit risk of financial assets / liabilities at fair value through profit or loss is provided in Note 12(2).

(3) Financial assets at amortized cost

Items	March 31,2026	December 31,2025	March 31,2025
Current items:			
Time deposits with original maturity over 3 months	$ 199,000	$ 79,000	$ 400,000
Non-current items:			
Time deposits with original maturity over 1 year	$ 1,019,006	$ 853,410	$ 777,977

A. Amounts recognized in profit or loss in relation to financial assets at amortized cost are listed below:

	Three months ended March 31	
	2026	2025
Interest income	$ 6,083	$ 6,058

B. Without considering collateral held or other credit enhancement, the amounts most represent the maximum exposure to credit risk of financial assets at amortized cost as of March 31, 2026, December 31, 2025, and March 31, 2025 amounted to ending balance, respectively.

C. As the counterparties of the time deposits invested by the Group are financial institutions with good credit quality, the possibility of default is expected to be very low.

(4) Notes and accounts receivable

	March 31,2026	December 31,2025	March 31,2025
Notes receivable	$ 294	$ 285	$ -
Less: Allowance for uncollectible accounts	-	-	-
	$ 294	$ 285	$ -

	March 31,2026	December 31,2025	March 31,2025
Accounts receivable	$ 1,297,776	$ 1,247,469	$ 1,361,911
Less: Allowance for uncollectible accounts	(4,075)	(3,650)	(3,363)
	$ 1,293,701	$ 1,243,819	$ 1,358,548

A. The ageing analysis of accounts receivables is as follows:

	March 31,2026		December 31,2025		March 31,2025	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$ 1,176,837	$ 294	$ 1,152,388	$ 285	$ 1,297,290	$ -
Up to 30 days	81,159	-	84,081	-	43,136	-
31 to 90 days	32,514	-	10,599	-	20,570	-
91 to 180 days	6,627	-	-	-	914	-
Over 181 days	639	-	401	-	1	-
	$ 1,297,776	$ 294	$ 1,247,469	$ 285	$ 1,361,911	$ -

The above ageing analysis was based on past due date.

B. As of March 31, 2026, December 31, 2025, March 31, 2025 and January 1, 2025, the balances of accounts receivable from contracts with customers amounted to ending balance, respectively.

C. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(5) Other receivables

	March 31,2026	December 31,2025	March 31,2025
Payments for plant expropriation receivables	$ -	$ -	$ 49,366
Interest receivable	35,522	28,544	16,430
Others	22,173	20,062	31,027
	$ 57,695	$ 48,606	$ 96,823

The sub-subsidiary, Zhejiang Iron Force has approved by the board of directors on September 14, 2024 to sell part of the land use right in Huzhou City amounting to $4,603, buildings and structures amounting to $61,665, and other equipment amounting to $2,260, in cooperating with the government's policy-based relocation. The vacant transfer of buildings has been completed in December 2024, and gains on disposal of non-current assets held for sale amounting to $134,059 were recognized. The amount of the expropriation compensation agreement signed between Zhejiang Iron Force and the government is RMB 45,356 thousand. As of December 31, 2025, the Group has collected all the payments.

(6) Inventories

	March 31,2026		
	Cost	Allowance for valuation loss	Carry amount
Raw materials	$ 446,210	($ 25,590)	$ 420,620
Work in progress	103,859	(8,291)	95,568
Finished goods	609,973	(18,464)	591,509
Merchandise	88,522	(17,362)	71,160
	$ 1,248,564	($ 69,707)	$ 1,178,857

	December 31,2025		
	Cost	Allowance for valuation loss	Carry amount
Raw materials	$ 486,374	($ 23,046)	$ 463,328
Work in progress	87,829	(6,888)	80,941
Finished goods	626,762	(16,772)	609,990
Merchandise	98,712	(13,724)	84,988
	$ 1,299,677	($ 60,430)	$ 1,239,247

	March 31,2025		
	Cost	Allowance for valuation loss	Carry amount
Raw materials	$ 445,048	($ 13,107)	$ 431,941
Work in progress	90,379	(7,690)	82,689
Finished goods	625,560	(19,889)	605,671
Merchandise	81,166	(15,922)	65,244
	$ 1,242,153	($ 56,608)	$ 1,185,545

The cost of inventories recognized as expense for the period:

	Three months ended March 31	
	2026	2025
Cost of goods sold	$ 942,957	$ 959,248
loss on decline in market value	9,277	2,503
	$ 952,234	$ 961,751

(7) Property, plant and equipment

	2026						
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Consturuction in progress	Total
January 1							
Cost	$ 155,050	$ 1,340,125	$ 1,855,327	$ 100,061	$ 84,978	$ 74,484	$ 3,610,025
Accumulated depreciation	-	(418,872)	(1,218,167)	(75,380)	(51,627)	-	(1,764,046)
Accumulated impairment	-	-	(5,270)	-	-	-	(5,270)
	$ 155,050	$ 921,253	$ 631,890	$ 24,681	$ 33,351	$ 74,484	$ 1,840,709
January 1	$ 155,050	$ 921,253	$ 631,890	$ 24,681	$ 33,351	$ 74,484	$ 1,840,709
Additions	-	55	10,157	4,008	5,093	11,843	31,156
Disposals	-	(132)	(26)	(11)	(64)	-	(233)
Reclassifications	-	3,836	16,744	2,809	155	(23,544)	-
Depreciation expenses	-	(9,542)	(34,499)	(1,854)	(2,072)	-	(47,967)
Net exchange diffences	(657)	10,135	8,550	111	231	214	18,584
March 31	$ 154,393	$ 925,605	$ 632,816	$ 29,744	$ 36,694	$ 62,997	$ 1,842,249
March 31							
Cost	$ 154,393	$ 1,367,141	$ 1,916,724	$ 107,491	$ 88,632	$ 62,997	$ 3,697,378
Accumulated depreciation	-	(441,536)	(1,278,473)	(77,747)	(51,938)	-	(1,849,694)
Accumulated impairment	-	-	(5,435)	-	-	-	(5,435)
	$ 154,393	$ 925,605	$ 632,816	$ 29,744	$ 36,694	$ 62,997	$ 1,842,249

	2025						
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Consturuction in progress	Total
January 1							
Cost	$ 149,895	$ 1,305,426	$ 1,704,414	$ 88,402	$ 72,659	$ 124,459	$ 3,445,255
Accumulated depreciation	-	(375,113)	(1,116,275)	(68,433)	(50,953)	-	(1,610,774)
Accumulated impairment	-	-	(5,255)	-	-	-	(5,255)
	$ 149,895	$ 930,313	$ 582,884	$ 19,969	$ 21,706	$ 124,459	$ 1,829,226
January 1	$ 149,895	$ 930,313	$ 582,884	$ 19,969	$ 21,706	$ 124,459	$ 1,829,226
Additions	-	206	8,115	2,474	366	21,337	32,498
Disposals	-	-	(2,121)	(12)	(2)	-	(2,135)
Reclassifications	-	98	25,695	-	586	(26,379)	-
Depreciation expenses	-	(8,817)	(33,379)	(1,532)	(1,673)	-	(45,401)
Net exchange diffences	3,983	34,130	14,693	711	1,933	6,645	62,095
March 31	$ 153,878	$ 955,930	$ 595,887	$ 21,610	$ 22,916	$ 126,062	$ 1,876,283
March 31							
Cost	$ 153,878	$ 1,348,230	$ 1,768,245	$ 93,997	$ 73,578	$ 126,062	$ 3,563,990
Accumulated depreciation	-	(392,300)	(1,166,988)	(72,387)	(50,662)	-	(1,682,337)
Accumulated impairment	-	-	(5,370)	-	-	-	(5,370)
	$ 153,878	$ 955,930	$ 595,887	$ 21,610	$ 22,916	$ 126,062	$ 1,876,283

Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(8) Lease agreements – lessee

A. The Group’s leases include land, transportation equipment and office equipment. Rental contracts are typically made for periods of 1 to 50 years. The lease contract is negotiated individually and contains various terms and conditions. Except for the leased assets which cannot be used as security for borrowing purposes, there are no other restrictions on the lease.

B. The carrying amount of the right-of-use assets and the depreciation expense recognized were as follows:

	March 31,2026	December 31,2025	March 31,2025
	Carrying amount	Carrying amount	Carrying amount
Land	$ 53,077	$ 51,826	$ 53,892
Buildings	100,223	102,883	-
Transportation equipment (Company vehicles)	3,739	5,884	6,512
Office equipment (Photocopiers)	130	159	238
	$ 157,169	$ 160,752	$ 60,642

	Three months ended March 31	
	2026	2025
	Depreciation expenses	Depreciation expenses
Land	$ 363	$ 347
Buildings	2,661	-
Transportation equipment (Business vehicles)	515	637
Office equipment (Photocopiers)	28	28
	$ 3,567	$ 1,012

C. The additions to right-of-use assets for the Three months ended March 31, 2026 and 2025 were $0, all.

D. The information of the profits and loss items that are related to lease contracts is as follows:

	Three months ended March 31	
	2026	2025
Items affecting profit or loss		
Interest expense on lease liabilities	$ 774	$ 17
Expense on short-term lease contracts	1,311	901
Expense on leases of low-value assets	52	46

E. The Group's total lease cash outflows were $5,780 and $1,622 for the three months ended March 31, 2026 and 2025, respectively.

(9) Other non-current assets

	March 31,2026	December 31,2025	March 31,2025
Prepaid equipment	$ 55,703	$ 59,411	$ 79,307
Others	21,740	22,444	11,915
	$ 77,443	$ 81,855	$ 91,222

(10) Other payables

	March 31,2026	December 31,2025	March 31,2025
Wages and salaries payable	$ 149,238	$ 187,980	$ 132,586
Processing fees payable	22,215	22,973	20,732
Payables for equipment	6,843	12,212	18,920
Import / export expenses payable	4,771	4,037	4,528
Others	90,280	133,187	115,213
	$ 273,347	$ 360,389	$ 291,979

(11) Bonds payable

	March 31,2026	December 31,2025	March 31,2025
Bonds payable	$ 278,700	$ 278,700	$ 299,900
Less: discount on bonds payable	(9,437)	(11,087)	(17,285)
	$ 269,263	$ 267,613	$ 282,615

A. The terms of issuance of the third domestic convertible bonds are as follows:

(a) The total issuance amount is $300,000, with coupon rate of 0%, and the issuance period of 3 years. The period of circulation is from August 29, 2024 to August 29, 2027. The Company shall repay in cash one lump sum according to the par value of the convertible bonds at maturity. The convertible bonds have been listed for trading in TPEx since August 29, 2024.

(b) From the day following the three-month period after the issuance of the convertible bonds to maturity, the bond holders may request the conversion of the convertible bonds into the Company’s ordinary shares at any time, except the book closure period of the ordinary shares according to law and regulations. The rights and obligations of ordinary shares after conversion are the same as those of the originally issued ordinary shares.

(c) The conversion price of the convertible bonds is determined in accordance with the pricing model stipulated in the Regulation. The conversion price will be adjusted in accordance with the pricing model stipulated in the Regulation, if the conditions stipulated in the anti-dilutive terms occur. The conversion price is re-determined by the pricing model stipulated in the Regulation on the base date stipulated in the Regulation. Thus, the conversion price has been adjusted from NT$94.5 per share to NT$85.36 per share since July 14, 2025.

(d) From the day following the three-month period after the issuance of the convertible bonds to 40 days before the expiry of the issuance period, when the closing price of the Company’s ordinary shares exceeds the current conversion price by 30% for 30 consecutive business days, or from the day following the three-month period after the issuance of the convertible bonds to 40 days before the expiry of the issuance period, when the outstanding balance of the convertible bonds is lower than 10% of the original total issued amount, the Company may redeem all of the bonds in cash one lump sum according to the par value of the convertible bonds at any time afterwards.

(e) In accordance with the Regulation, all the convertible bonds collected (including those bought back from the TPEx), repaid or converted will be cancelled, and may not be resold or issued. The attached conversion rights are expired accordingly.

B. In issuance of the convertible bonds, according to IAS 32 "Financial Instruments: Presentation," the Group separated the conversion right with equity nature from the liability components, and recognized "capital surplus – stock options" amounting to $59,973. In accordance with IFRS 9 "Financial Instruments," as the economic characteristics and risks of the embedded redemption rights and put options are not closely related to the economic characteristics and risks of the host contract, they are separated from the host, and recognized as "financial assets or liabilities at fair value through profit or loss" by the net amount. After separation, the effective interest rate of the host is 2.50%.

C. As of March 31, 2026, $21,300 of the par value of the convertible bonds has been converted into 250 thousand ordinary shares.

(12) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	March 31,2026
Installment loans				
Secured borrowings	From April 5, 2020 to April 30, 2030, the principal is repaid in installments monthly	0.69%～2.10%	Note 8	$ 21,226
Secured borrowings	From April 6, 2023 to March 1, 2029, the principal is repaid in installments monthly	3.96%	Note 8	7,012
				28,238
Less: Current portion				(8,577)
				$ 19,661

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31,2025
Installment loans				
Secured borrowings	From April 5, 2020 to April 30, 2030, the principal is repaid in installments monthly	0.69%～2.10%	Note 8	$ 22,885
Secured borrowings	From April 6, 2023 to March 1, 2029, the principal is repaid in installments monthly	3.96%	Note 8	7,588
				30,473
Less: Current portion				(8,570)
				$ 21,903

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	March 31,2025
Installment loans				
Secured borrowings	From April 5, 2020 to April 30, 2030, the principal is repaid in installments monthly	0.69%～2.10%	Note 8	$ 26,920
Secured borrowings	From April 6, 2023 to March 1, 2029, the principal is repaid in installments monthly	3.96%	Note 8	8,979
				35,899
Less: Current portion				(8,246)
				$ 27,653

Interest expenses recognized in profit or loss for the three months ended March 31, 2026 and 2025 amounted to $127, and $152, respectively.

(13) Pensions

A. (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 3.5% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

(b) For the aforementioned pension plan, the Group recognized pension costs of $48, and $53 for the three months ended March 31, 2026 and 2025, respectively.

(c) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2026 amount to $200.

B. (a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on not lower than 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) Other overseas entities contribute to the statutory pension insurance or pension fund for their employees based on their wages and salaries in compliance with local laws and regulations. Other than the annual contributions, the entities have no further obligations.

(c) The pension costs under the defined contribution pension plan of the Group for the three months ended March 31, 2026 and 2025 were $12,728, and $11,334, respectively.

(14) Share capital

A. As of March 31, 2026, the Company's authorized capital was $1,300,000, consisting of 130,000 thousand shares of ordinary stock, and the paid-in capital was $797,797 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

B. Movements in the number of the Company's ordinary shares outstanding are as follows:

	2026 (thousand shares)	2025 (thousand shares)
At January 1 (March 31)	79,780	79,531

(15) Capital surplus

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

(16) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's profit shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve, if any, to be retained or to be appropriated shall be resolved by the stockholders at the stockholders' meeting.

B. The Company distributes dividends taking into consideration the Company's economic environment, growth phases, future demands for funds, long-term financial planning and the cash flow needs of stockholders. Dividends distribution is resolved by the shareholders based on current year's profit and capital position.

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

D. The appropriations of 2025 earnings as resolved at the board of directors' meeting on February 26, 2026, and 2024 earnings as resolved at the shareholders' meeting on May 29, 2025 are as follows:

	2025		2024	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 41,426		$ 73,635	
Special reserve	(62,274)		(120,684)	
Cash dividends	359,009	$ 4.50	715,782	$ 9.00
	$ 338,161		$ 668,733	

As of May 8, 2026, the appropriation of 2025 earnings aren't resolved by the shareholders' meeting.

(17) Operating revenue

	Three months ended March 31	
	2026	2025
Revenue from contracts with customers	$ 1,226,898	$ 1,282,087

A. Disaggregation of revenue from contracts with customers

The Group derives revenue mainly from the transfer of goods at a point in time in the following major product areas:

Three months ended March 31, 2026	Production area			
	Taiwan	China	Europe	Total
Sales area				
America	$ 225,958	$ 141,831	$ -	$ 367,789
China	125,841	172,052	-	297,893
Asia (Except China)	31,014	113,599	-	144,613
Europe	120,597	80,431	215,575	416,603
	$ 503,410	$ 507,913	$ 215,575	$ 1,226,898

Three months ended March 31, 2025	Production area			
	Taiwan	China	Europe	Total
Sales area				
America	$ 273,788	$ 147,231	$ -	$ 421,019
China	127,880	208,751	-	336,631
Asia (Except China)	29,218	106,432	-	135,650
Europe	111,088	80,597	197,102	388,787
	$ 541,974	$ 543,011	$ 197,102	$ 1,282,087

B. Contract liabilities

(a) The Group has recognized the following contract liabilities of revenue from contracts with customers as a result of advance sales receipts:

	March 31,2026	December 31,2025	March 31,2025
Contract liabilities	$ 108	$ 88	$ 15

(b) The contract liabilities at the beginning of the period which were recognized in revenue for the three months ended March 31, 2026 and 2025 amounted to $88 and $77, respectively.

(18) Expenses by nature

	Three months ended March 31, 2026		
	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expense			
Wages and salaries	$ 186,127	$ 94,531	$ 280,658
Labor and health insurance fees	18,791	7,922	26,713
Pension costs	9,190	3,586	12,776
Other personnel expenses	9,774	5,235	15,009
Depreciation expense	44,544	6,990	51,534
Amortisation expense	80	4,112	4,192

	Three months ended March 31, 2025		
	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expense			
Wages and salaries	$ 177,049	$ 82,819	$ 259,868
Labor and health insurance fees	16,429	7,695	24,124
Pension costs	7,774	3,613	11,387
Other personnel expenses	8,505	5,692	14,197
Depreciation expense	40,850	5,563	46,413
Amortisation expense	257	4,076	4,333

A. In accordance with the Articles of Incorporation of the Company, if the Company has distributable profit of the current year, the Company shall distribute at not lower than 0.5% as employees' compensation in the form of shares or in cash as resolved by the Board of Directors. The Company shall distribute directors' remuneration at not more than 5% of the total distributable amount as resolved by the Board of Directors. The appropriation of employees' compensation and directors' remuneration shall be submitted to the shareholders during their meeting.

B. For the three months ended March 31, 2026 and 2025, employees' compensation and directors' remuneration were accrued as follows:

	Three months ended March 31	
	2026	2025
Directors' remuneration	$ 760	$ 660
Employees' compensation	1,050	2,059
	$ 1,810	$ 2,719

The aforementioned amounts were recognized in salary expenses and were accrued based on the distributable profit for the three months ended March 31, 2026 and 2025 and the Company's

Articles of Incorporation.

C. The directors' remuneration and employees' compensation for 2025 as resolved by the board of directors' meeting on February 26, 2026 amounted to $2,817 and $3,150, respectively. The differences between the amounts resolved by the Board of Directors and the directors' remuneration of $3,000 and employees' compensation of $5,209 recognized in the 2025 financial statements were regarded as changes in accounting estimates and recognized in profit or loss for 2026.

D. The directors' remuneration and employees' compensation for 2024 as resolved by the shareholders' meeting on May 29, 2025 amounted to $4,087 and $4,300, respectively. The differences between the amounts resolved by the Board of Directors and the directors' remuneration of $1,800 and employees' compensation of $9,989 recognized in the 2024 financial statements were regarded as changes in accounting estimates and recognized in profit or loss for 2025.

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

(19) Other gains and losses

	Three months ended March 31	
	2026	2025
Net currency exchange (losses) gains	($ 48,164)	$ 1,560
Gains on financial instruments at fair value through profit or loss	35,004	32,812
Governments grants (Note)	-	5,439
Losses on disposals of property, plant and equipment	(233)	(32)
Miscellaneous income and expenditures	5,779	17,430
	($ 7,614)	$ 57,209

Note: Governments grants mainly refer to the grants of the China government for economic investment and research and development investment.

(20) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended March 31			
	2026		2025	
Current tax:				
Current tax on profits for the period	$	18,886	$	30,863
Prior year income tax under estimation		172		-
Total current tax		19,058		30,863
Deferred tax:				
Origination and reversal of temporary differences		12,721		27,415
Income tax expense	$	31,779	$	58,278

(b) The income tax credit/(charge) relating to components of other comprehensive income is as follows:

	Three months ended March 31			
	2026		2025	
Currency translation differences	$	26,140	$	32,641

B. The Company's income tax returns through 2024 have been assessed and approved by the Tax Authority.

C. The Group's subsidiary, Huzhou Iron Force Metal Products Co., Ltd, is a productive foreign-invested enterprise established in the People's Republic of China. It has been approved by the National Taxation Bureau as a high-tech industry enterprise and is eligible for a preferential income tax rate of 15% from December 2023 to December 2026.

(21) Earnings per share

	Three months ended March 31, 2026		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Net profit for the period attributable to the parent	$ 69,210	79,780	$ 0.87
Diluted earnings per share			
Effects of dilutive potential ordinary shares			
Net profit for the period attributable to the parent	$ 69,210	79,780	
Employees' compensation	-	46	
Convertible bonds	1,722	3,265	
Profit for the period attributable to the parent plus all dilutive potential ordinary shares	$ 70,932	83,091	$ 0.85

	Three months ended March 31, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Net profit for the period attributable to the parent	$ 146,372	79,531	$ 1.84
Diluted earnings per share			
Effects of dilutive potential ordinary shares			
Net profit for the period attributable to the parent	$ 146,372	79,531	
Employees' compensation	-	88	
Convertible bonds	1,503	3,174	
Profit for the period attributable to the parent plus all dilutive potential ordinary shares	$ 147,875	82,793	$ 1.79

(22) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Three months ended March 31	
	2026	2025
Purchase of property, plant and equipment	$ 31,156	$ 32,498
Add: beginning payables for equipment	12,212	43,956
Less: Ending payables for equipment	(6,843)	(18,920)
Add/Less: Net changes associated with prepayments for equipment and property, plant and equipment	(3,708)	11,224
Cash payments in the current period	$ 32,817	$ 68,758

(23) Changes in liabilities from financing activities

	Lease liabilities	Bonds payable	Long-term borrowings	Total
January 1, 2026	$ 109,087	$ 267,613	$ 30,473	$ 407,173
Changes in cash flow from financing activities	(3,643)	-	(2,139)	(5,782)
Effect of changes in foreign exchange rate	(3)	-	(96)	(99)
Other non-cash changes	(1,627)	1,650	-	23
March 31,2026	$ 103,814	$ 269,263	$ 28,238	$ 401,315

	Lease liabilities	Bonds payable	Long-term borrowings	Total
January 1, 2025	$ 7,281	$ 280,886	$ 31,787	$ 319,954
Changes in cash flow from financing activities	(658)	-	(1,587)	(2,245)
Effect of changes in foreign exchange rate	127	-	1,644	1,771
Other non-cash changes	-	1,729	4,055	5,784
March 31,2025	$ 6,750	$ 282,615	$ 35,899	$ 325,264

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Hyphen Industrial Corp.	The Chairman of the Company and the Chairman of the entity are relatives within the second degree

(2) Significant related party transactions

A. Other income- Rental Income

	Three months ended March 31	
	2026	2025
Other related parties	99	84

The transaction prices of the rent income from related parties are based on the agreements in the contracts, and the payments are collected in the beginning of each month.

B. Other gains and losses - Management service income

	Three months ended March 31	
	2026	2025
Other related parties	150	140

The transaction prices of the revenue from management services from related parties are based on the agreements in the contracts, and the payments are collected in the beginning of each month.

(3) Key management compensation

	Three months ended March 31	
	2026	2025
Short-term employee benefits	$ 6,791	$ 7,919
Post-employment benefits	135	159
	$ 6,926	$ 8,078

8. Pledged Assets

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

	Carrying amount			
Asset items	March 31,2026	December 31,2025	March 31,2025	Purpose
Property, Plant and Equipment-Land	$ 10,059	$ 10,097	$ 9,850	Long-term borrowings
Pledged deposits (classified as financial assets at amortised cost - current)	1,856	1,862	1,817	Customs Deposits
	$ 11,915	$ 11,959	$ 11,667	

9. Significant Contingent Liabilities and Unrecognized Contract Commitments Contingencies

(1) Contingencies

None.

(2) Commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	March 31,2026	December 31,2025	March 31,2025
Consultation service contract	$ -	$ -	$ 10,400
Property, plant and equipment	22,878	11,174	8,860
	$ 22,878	$ 11,174	$ 19,260

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

None.

12. Others

(1) Capital management

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

(2) Financial instruments

A. Financial instruments by category

	March 31,2026	December 31,2025	March 31,2025
Financial assets			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	$ 209,689	$ 271,071	$ 384,376
Financial assets at amortised cost			
Cash and cash equivalents	$ 630,522	$ 759,829	$ 758,228
Financial assets measured at amortized cost	1,218,006	932,410	1,177,977
Notes receivable	294	285	-
Accounts receivable	1,293,701	1,243,819	1,358,548
Other receivables	57,695	48,606	96,823
Guarantee deposits paid (recongnized as other non-current assets)	2,008	2,008	2,645
	$ 3,202,226	$ 2,986,957	$ 3,394,221
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Financial liabilities mandatorily measured at fair value through profit or loss	$ -	$ 172	$ 451
Financial liabilities at amortised cost			
Accounts payable	$ 272,973	$ 305,875	$ 279,177
Other payable	273,347	360,389	291,979
Bonds payables	269,263	267,613	282,615
Long-term borrowings (including current portion)	28,238	30,473	35,899
	$ 843,821	$ 964,350	$ 889,670
Lease liabilities	$ 103,814	$ 109,087	$ 6,750

B. Financial risk management policies

There was no significant change in the reporting period. Refer to Note 12 in the consolidated financial statements for the year ended December 31, 2025.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to various currency risks arising from transactions denominated in different currencies, mainly in USD, EUR, and CNY. These currency risks arise from future commercial transactions and from recognized assets, liabilities, and net investments in foreign operations.

ii. Management has set up a policy to manage the foreign exchange risk against the functional currency. Each company within the Group should hedge its overall exchange rate risk through the Group's finance department. The Group’s treasury uses forward foreign exchange contracts and structured deposits to manage the foreign exchange risk arising from future commercial transactions and recognized assets and liabilities. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the entity’s functional currency.

iii. The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

iv. The Group’s businesses involve some non-functional currency operations (the Company’s functional currency: NTD and the some of subsidiary’s functional currency: EUR, RMB, and PLN). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	March 31,2026		
(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (in thousands of NTD)
Financial assets			
Monetary items			
USD:NTD	$ 6,296	32.01	$ 201,535
EUR:NTD	4,697	36.71	172,427
RMB:NTD	36,156	4.63	167,402
USD:RMB	10,363	6.92	331,720
EUR:RMB	10,466	7.93	384,207
Financial liabilities			
Monetary items			
USD:NTD	$ 713	32.01	$ 22,823
EUR:NTD	2,516	36.71	92,362
RMB:NTD	266,432	4.63	1,233,580

(Foreign currency: functional currency)	December 31,2025 Foreign currency amount (in thousands)	Exchange rate	Book value (in thousands of NTD)
Financial assets			
Monetary items			
USD:NTD	$ 3,762	31.41	$ 118,164
EUR:NTD	5,212	36.85	192,062
RMB:NTD	40,469	4.49	181,706
USD:RMB	7,975	7.03	250,495
EUR:RMB	9,715	8.24	357,998
Financial liabilities			
Monetary items			
USD:NTD	$ 859	31.41	$ 26,981
EUR:NTD	4,004	36.85	147,547
RMB:NTD	263,936	4.49	1,185,073

(Foreign currency: functional currency)	March 31,2025 Foreign currency amount (in thousands)	Exchange rate	Book value (in thousands of NTD)
Financial assets			
Monetary items			
USD:NTD	$ 7,285	33.21	$ 241,935
EUR:NTD	6,399	35.95	230,044
RMB:NTD	28,174	4.58	128,896
USD:RMB	12,682	7.18	421,169
EUR:RMB	7,301	7.80	262,471
Financial liabilities			
Monetary items			
EUR:NTD	$ 3,793	35.95	$ 136,358
RMB:NTD	255,748	4.58	1,170,047

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Three months ended March 31, 2026				
	Sensitivity analysis				
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss		Effect on other comprehensive income	
Financial assets					
Monetary items					
USD:NTD	1%	$	2,015	$	-
EUR:NTD	1%		1,724		-
RMB:NTD	1%		1,674		-
USD:RMB	1%		3,317		-
EUR:RMB	1%		3,842		-
Financial liabilities					
Monetary items					
USD:NTD	1%	$	228	$	-
EUR:NTD	1%		924		
RMB:NTD	1%		12,336		-

	Three months ended March 31, 2025				
	Sensitivity analysis				
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss		Effect on other comprehensive income	
Financial assets					
Monetary items					
USD:NTD	1%	$	2,419	$	-
EUR:NTD	1%		2,300		-
RMB:NTD	1%		1,289		-
USD:RMB	1%		4,212		-
EUR:RMB	1%		2,625		-
Financial liabilities					
Monetary items					
EUR:NTD	1%	$	1,364	$	-
RMB:NTD	1%		11,700		-

The total exchange (losses) gains, including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2026 and 2025, amounted to ($48,164) and $1,560, respectively.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. The Group manages its credit risk taking into consideration the entire group's concern. According to the group's credit policy, the Group is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilization of credit limits is regularly monitored.

iii. The Group adopts the assumptions under IFRS 9, that is, the default occurs when the contract payments are past due over 90 days.

iv. The Group adopts the assumption under IFRS 9, if the contract payments were past due over 30 days based on the terms, it is deemed as that there has been a significant increase in credit risk on that instrument since initial recognition.

v. The Group classifies customers' accounts receivable in accordance with credit rating of customer and customer types. The Group applies the modified approach using a provision matrix to estimate the expected credit loss.

vi. The Group used the foreseeing consideration to adjust historical and timely information to assess the default possibility of accounts receivable. As of March 31, 2026, December 31, 2025 and March 31, 2025, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31~90 days past due	Over 90 days past due	Total
March 31,2026					
Expected loss rate	0%~0.12%	0%~2.90%	0%~10.04%	11.16%~100%	
Total carry amount	$ 1,177,131	$ 81,159	$ 32,514	$ 7,266	$ 1,298,070
Loss allowance	964	875	1,095	1,141	4,075

	Not past due	Up to 30 days past due	31~90 days past due	Over 90 days past due	Total
December 31,2025					
Expected loss rate	0.002%~0.12%	0.01%~2.21%	1.63%~4.57%	25.53%~100%	
Total carry amount	$ 1,152,673	$ 84,081	$ 10,599	$ 401	$ 1,247,754
Loss allowance	1,361	1,513	375	401	3,650

	Not past due	Up to 30 days past due	31~90 days past due	Over 90 days past due	Total
March 31,2025					
Expected loss rate	0.002%~0.12%	0.01%~2.21%	1.63%~4.57%	25.53%~100%	
Total carry amount	$ 1,297,290	$ 43,136	$ 20,570	$ 915	$ 1,361,911
Loss allowance	994	805	649	915	3,363

vii. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable are as follows:

	2026	2025
January 1	$ 3,650	$ 6,184
Recognization (reversal) of impairment loss	425	(2,821)
March 31	$ 4,075	$ 3,363

(c) Liquidity risk

i. The cash flow forecasting is performed by various operating entities within the Group and is summarized by the Group’s treasury. Group treasury monitors rolling forecasts of the Group’s liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

ii. The bank financing is an important source of liquidity for the Group, the Group has the following undrawn borrowing facilities on March 31,2026, December 31,2025 and March 31,2025.

	March 31,2026	December 31,2025	March 31,2025
Unsecured borrowing facilities			
Undrawn borrowing balance	$ 2,288,090	$ 2,282,690	$ 2,298,890
Secured borrowing facilities			
Undrawn borrowing balance	$ 47,230	$ 45,283	$ 43,040
Drawn borrowing balance	28,238	30,473	35,899
	$ 75,468	$ 75,756	$ 78,939

iii. As of March 31, 2026, December 31, 2025 and March 31, 2025, the cash flows within 1 year of short-term borrowings, accounts payables, and other payables, and are in agreement with the balance of each account in the balance sheets.

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

March 31,2026	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:					
Long-term borrowings (including current portion)	$ 2,242	$ 6,725	$ 8,022	$ 11,997	$ -
Lease liability	3,401	10,014	12,793	37,458	56,445
Bonds payable	-	-	278,700	-	-

December 31,2025	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:					
Long-term borrowings (including current portion)	$ 2,250	$ 6,751	$ 8,488	$ 13,857	$ -
Lease liability	3,545	10,588	13,430	38,181	59,512
Bonds payable	-	-	278,700	-	-

March 31,2025	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:					
Long-term borrowings (including current portion)	$ 2,196	$ 6,587	$ 8,781	$ 19,600	$ 3
Lease liability	694	1,842	2,106	2,323	-
Bonds payable	-	-	-	299,900	-

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment stocks in open market and beneficiary certificate is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in forward foreign exchange contracts is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Financial instruments not measured at fair value

Except for those listed in the table as follows, the carrying amounts of the Group's financial instruments not measured at fair value including cash and cash equivalents, accounts receivables, other receivables, guaranteed deposits paid (presented as "other non-current assets"), short-term borrowings, accounts payables, other payables, long-term borrowings (including current portion) and lease liabilities are approximate to their fair values.

	March 31,2026			
	Carry amount	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 269,263	$ -	$ 272,457	$ -
	December 31,2025			
	Carry amount	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 267,613	$ -	$ 270,116	$ -
	March 31,2025			
	Carry amount	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 282,615	$ -	$ 285,685	$ -

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

(a) The related information of natures of the assets and liabilities is as follows:

March 31,2026	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Beneficiary certificates	$ 79,091	$ -	$ -	$ 79,091
Redemption rights of convertible bonds	-	195	-	195
Forward foreign exchange contracts	-	130,403	-	130,403
	$ 79,091	$ 130,598	$ -	$ 209,689

December 31,2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Beneficiary certificates	$ 175,264	$ -	$ -	$ 175,264
Redemption rights of convertible bonds	-	697	-	697
Forward foreign exchange contracts	-	95,110	-	95,110
	$ 175,264	$ 95,807	$ -	$ 271,071
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Forward foreign exchange contracts	$ -	$ 172	$ -	$ 172

March 31,2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Beneficiary certificates	$ 17,956	$ -	$ -	$ 17,956
Redemption rights of convertible bonds	-	150	-	150
Structured deposits	-	345,265	-	345,265
Forward foreign exchange contracts	-	21,005	-	21,005
	$ 17,956	$ 366,420	$ -	$ 384,376
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Forward foreign exchange contracts	$ -	$ 451	$ -	$ 451

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

i. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the closing price. These instruments are included in level 1.

ii. The estimated fair value of convertible bonds – redemption rights belong to level 2 and is acquired by valuation techniques or referring to quoted prices from counterparties of transactions. Fair value acquired by valuation techniques may refer to the current fair value of other financial instruments with substantively similar terms and characteristics, discounted cash flow method or other valuation techniques, including calculation by utilizing models by the available market information as of the consolidated balance sheet data (e.g. yield curves of TPEx for reference).

iii. The estimated fair value of forward foreign exchange contracts and structured investments are all included in level 2, which is evaluated based on the current forward exchange rates.

iv. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

D. There was no transfer between level 1 and level 2 for the three months ended March 31, 2026 and 2025.

E. There was no transfer in to and out of level 3 for the three months ended March 31, 2026 and 2025.

F. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at March 31, 2026	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Stocks of non-listed companies	$ -	Comparable listed company approach	Discount for lack of marketability	0.12	The higher the discount for lack of marketability, the lower the fair value

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Stocks of non-listed companies	$ -	Comparable listed company approach	Discount for lack of marketability	0.10	The higher the discount for lack of marketability, the lower the fair value

	Fair value at March 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Stocks of non-listed companies	$ -	Comparable listed company approach	Discount for lack of marketability	0.11	The higher the discount for lack of marketability, the lower the fair value

G. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets categorized within Level 3 if the inputs used to valuation models have changed:

			March 31,2026			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount on liquidity	±5%	$ 2	($ 2)	$ -	$ -

			December 31,2025			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount on liquidity	±5%	$ 2	($ 2)	$ -	$ -

			March 31,2025			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount on liquidity	±5%	$ 2	($ 2)	$ -	$ -

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: Refer to table 1.

B. Provision of endorsements and guarantees to others: Refer to table 2.

C. Holding of significant marketable securities at the end of the period (excluding subsidiaries, associates and joint ventures): Refer to table 3.

D. Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more: None.

E. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: Refer to table 4.

F. Business relationship and significant transactions between the parent and subsidiaries: None.

(2) Information on investees

Names, locations and other information of investee companies (excluding Mainland China investee company): Refer to table 5.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 6.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 4.

14. SEGMENT INFORMATION

(1) General information

The management of the Group has identified the reporting departments based on the report information used in making decisions by the board of directors.

The Group provides information by region to the operational decision makers for review. Currently, the Group divides its sales order region into three main areas: Taiwan, Mainland China, and Europe. Therefore, in the operational department, Taiwan, Mainland China, and Europe are the departments to be reported.

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

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

	Three months ended March 31, 2026				
	Taiwan	Mainland China	Europe	Adjustments and Eliminations	Consolidated
Revenue from external customers	$ 503,410	$ 507,913	$ 215,575	$ -	$ 1,226,898
Inter-segment revenue	-	43,528	-	(43,528)	-
Total revenue	$ 503,410	$ 551,441	$ 215,575	($ 43,528)	$ 1,226,898
Segment profit or loss	$ 69,210	$ 74,553	($ 19,254)	($ 55,299)	$ 69,210
Segment profit or loss:					
Depreciation expense	$ 17,898	$ 20,407	$ 13,229	$ -	$ 51,534
Income tax expense	$ 17,022	$ 13,101	$ 1,656	$ -	$ 31,779
Segment assets:					
Non-current assets	$ 6,170,525	$ 1,946,076	$ 580,208	($ 5,576,012)	$ 3,120,797

	Three months ended March 31, 2025				
	Taiwan	Mainland China	Europe	Adjustments and Eliminations	Consolidated
Revenue from external customers	$ 541,974	$ 543,011	$ 197,102	$ -	$ 1,282,087
Inter-segment revenue	-	3,209	-	(3,209)	-
Total revenue	$ 541,974	$ 546,220	$ 197,102	($ 3,209)	$ 1,282,087
Segment profit or loss	$ 146,372	$ 106,319	($ 1,539)	($ 104,780)	$ 146,372
Segment profit or loss:					
Depreciation expense	$ 13,070	$ 21,745	$ 11,598	$ -	$ 46,413
Income tax expense	$ 35,992	$ 19,794	$ 2,492	$ -	$ 58,278
Segment assets:					
Non-current assets	$ 6,243,983	$ 1,749,020	$ 596,506	($ 5,750,496)	$ 2,839,013

(3) Reconciliation for segment profit or loss

Sales between departments are conducted in accordance with the principle of fair value transactions. External revenues reported to the main operational decision-makers are measured consistently with the revenues in the income statement.

Iron Force Industrial Coporation and Subsidiaries
Loans to others
Three months ended March 31,2026

Tab 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum balance during the period (Note 3)	Ending balance (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party (Note 7)	Limit on total loans granted (Note 7)	Note
0	Iron Force Industrial Co., Ltd.	Iron Force Poland Sp. z o.o.	Other receivables due from related parties	Y	$ 187,650	$ 183,550	$ -	0.00%	2	$ -	Working capital	$ -	None	-	$ 520,229	$ 2,080,915	
1	Huzhou Iron Force Metal Products Co., Ltd	Zhejiang Iron Force Metal Products Co., Ltd.	Other receivables due from related parties	Y	69,465	69,465	-	0.00%	2	-	Working capital	-	None	-	2,268,602	4,537,203	
1	Huzhou Iron Force Metal Products Co., Ltd	Iron Force Industrial Co., Ltd.	Other receivables due from related parties	Y	1,157,750	1,157,750	1,157,750	3.85%	2	-	Working capital	-	None	-	2,268,602	4,537,203	
1	Huzhou Iron Force Metal Products Co., Ltd	Iron Force Poland Sp. z o.o.	Other receivables due from related parties	Y	375,300	367,100	238,615	2.186%~2.629%	2	-	Working capital	-	None	-	2,268,602	4,537,203	
3	Cortec GmbH	Cortec Kunststoff Technik GmbH & Co. KG	Other receivables due from related parties	Y	131,355	128,485	44,052	3.658%~3.701%	2	-	Working capital	-	None	-	197,931	395,862	
4	Transtat Investment Ltd.	Iron Force Industrial Co., Ltd.	Other receivables due from related parties	Y	18,246	18,246	18,246	0.00%	2	-	Working capital	-	None	-	2,335,338	4,670,677	

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:
(1) The Company is ‘0’.
(2) The subsidiaries are numbered in order starting from ‘1’.
Note 2: Fill in the name of account in which the loans are recognized, such as receivables–related parties, current account with stockholders, prepayments, temporary payments, etc.
Note 3: Maximum balance of loans to others.
Note 4: Nature of financing shall be filled in business transaction or necessary for short-term financing.
(1) Fill in 1 if there is business transaction.
(2) Fill in 2 if it’s necessary for short-term financing.
Note 5: Fill in the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current year.
Note 6: Fill in purpose of loan when nature of loan is for short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.
Note 7: The limit on financing to a single entity and total financing based on the operational procedures of loans to others shall be filled in, and the single entity of the financing and calculation of total financing shall be explained in the note column.
(1) The ceiling on total loans granted by the Company to others shall not exceed 40% of the Company’s net assets. For the companies having business relationship with the Company, ceiling on total loans granted shall not exceed 10% of the Company’s net assets; where the Board of Directors deems the need for short-term financing, ceiling on total loans granted shall not exceed 30% of the Company’s net

assets.

(2) The limit on loans granted by the Company to a single party who has business relationship with the Company shall not exceed the higher of 30% of the business transaction amount between the borrower and the Company in the most recent year or 120% of the business transaction amount in the most recent three months, and shall not exceed 10% of the Company's net assets; where the Board of Directors deems the need for short-term financing, limit on total loans granted to a single party shall not exceed 10% of the Company's net assets.

(3) For loans granted between foreign companies whose voting rights are 100% held directly and indirectly by the Company or granted to the borrower by the foreign company whose voting rights are 100% held directly and indirectly by the Company, the ceiling on total loans granted shall not exceed 100% of the creditor's net assets; limit on loans granted to a single party shall not exceed 50% of the creditor's net assets. The financing period depends on the borrower's capital needs, but it shall not exceed five years.

(4) The limit on loans to a single entity by the subsidiary is 50% of its net assets, and ceiling on total loans granted is 100% of its net assets.

Note 8: If the public company submits the fund financing to the board of directors for resolution one by one in accordance with Paragraph 1, Article 14 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, even though the amount hasn't been drawn down, the amount resolved by the board of directors shall be included in the balance declared to disclose the risk borne. However, after the fund is repaid, the balance after repayment shall be disclosed to reflect the adjustments to the risk. If the public company authorizes the chairman within a certain monetary limit resolved by the board of directors, and within a period not to exceed one year, to give loans in installments or to make a revolving credit line available for the counterparty to draw down in accordance with Paragraph 2, Article 14 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, the amount of financing resolved by the board of directors shall be the balance declared. After the fund is repaid, as it is possible to give loans again, the amount of financing resolved by the board of directors shall be still the balance declared.

Iron Force Industrial Coporation and Subsidiaries
Provision of endorsements and guarantees to others
Three months ended March 31,2026

Tab 2

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed: Company name	Party being endorsed/ guaranteed: Relationship with the investor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum balance endorsement/ guarantees (Note 4)	Ending balance endorsement/ guarantees (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company	Limit on total amount of endorsements/guarantees provided (Note 3)	Provision of endorsements/guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/guarantees to the party in Mainland China (Note 7)	Note
0	Iron Force Industrial Co., Ltd.	Huzhou Iron Force Metal Products Co., Ltd	2	$ 1,300,572	$ 224,070	$ 224,070	$ -	$ -	4%	$ 2,601,144	Y	N	Y	Notes 3(1) and (2)
0	Iron Force Industrial Co., Ltd.	Iron Force Poland Sp. z o.o.	2	1,300,572	179,256	179,256	-	-	3%	2,601,144	Y	N	N	Note 3(3)
1	Cortec GmbH	Cortec Kunststoff Technik GmbH & Co. KG	4	197,931	57,676	56,416	19,838	-	1%	395,862	N	N	N	Note 3(3)

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:
(1) The Company is '0'.
(2) The subsidiaries are numbered in order starting from '1'.
Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:
(1) Companies with business dealings.
(2) Companies in which the company directly or indirectly holds more than 50% of the voting shares.
(3) Companies in which more than 50% of the voting shares are directly or indirectly held by the company.
(4) Companies in which the Company directly or indirectly holds more than 90% of the voting shares.
(5) A company that is mutually insured under a contract between peers or co-founders for the purpose of contracting for work.
(6) A company whose joint investment is guaranteed by all contributing shareholders in proportion to their shareholdings.
(7) Intercompany guarantees for the performance of contracts for the sale of pre-sale properties in accordance with the Consumer Protection Act.
Note 3: The limit on endorsements and guarantees provided to a single entity and total endorsements and guarantees provided based on the operational procedures of endorsements and guarantees provided to others shall be filled in, and the single entity of the endorsements and guarantees and calculation of total endorsements and guarantees shall be explained in the note column.
(1) The ceiling on total amount of endorsements/guarantees shall not exceed 50% of the Company's net assets.
(2) The limit on endorsements and guarantees provided for a single party shall not exceed 25% of the Company's net assets:
(2.1) For the companies having business relationship with the Company and thus being provided endorsements/guarantees, the limit on accumulated endorsement/guarantee amount is the total value of purchases, sales and other business transactions during the most recent year and shall not exceed 10% of the Company's net assets.
(2.2) For the companies having parent-subsidiary relationship with the Company and thus being provided endorsements/guarantees, the limit on accumulated endorsement/guarantee amount shall not exceed 10% of the Company's net assets. However, for the companies which the Company holds 100% of the voting rights directly or indirectly, endorsements and guarantees are not limited.
(3) The limit on endorsements and guarantees provided to a single party by the subsidiary is 50% of its net assets, and ceiling on total endorsements and guarantees provided is 100% of its net assets.

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.
Note 5: Fill in the amount approved by the Board of Directors or the chairman if the chairman has been authorized by the Board of Directors based on subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.
Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.
Note 7: Fill in 'Y' for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

Iron Force Industrial Coporation and Subsidiaries
Holding of significant marketable securities at the end of the period (excluding subsidiaries, associates and joint ventures)
March 31, 2026

Tab 3

Expressed in thousands of NTD
(Except as otherwise indicated)

				End of period				
Securities held by	Name and type of the marketable Security (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	Number of shares	Carry amount (Note 3)	Ownership	Fair value	Note (Note 4)
Huzhou Iron Force Metal Products Co., Ltd	Beneficiary certificates/ CR Yuanta Cash Income Money Market Fund B	-	Financial assets at fair value through profit or loss - current	-	$ 79,091	-	$ 79,091	-

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.
Note 2: Leave the column blank if the issuer of marketable securities is non-related party.
Note 3: Fill in the amount after adjusted at fair value for the marketable securities measured at fair value; fill in the acquisition cost or amortized cost deducted by accumulated impairment for the marketable securities not measured at fair value.
Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.
Note 5: The Company determines the marketable securities that shall be presented based on significance principle.

Iron Force Industrial Coporation and Subsidiaries
Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more
March 31, 2026

Tab 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Company with accounts receivables	Name of counterparty	Relationship with the counterparty	Balance of receivables from related party (Note 1)		Turnover rate	Overdue receivables from related party		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
						Amount	Treatment		
Huzhou Iron Force Metal Products Co.,	Iron Force Poland Sp. z o.o.	Related party	Other receivables	$ 247,497	Not applicable	$ -	-	$ -	$ -
Huzhou Iron Force Metal Products Co.,	Iron Force Industrial	Parent company	Other receivables	1,233,401	Not applicable	-	-	-	-

Note 1: Please separately fill in accounts receivables, notes, other receivables…, etc.
Note 2: Paid-in capital refers to paid-in capital of the parent company. For issuers without par value of shares or the par value is not NT$10, concerning the regulation about the transaction amount of 20% of the paid-in capital, it is calculated by 10% of the equity attributable to owners of the parent company in the balance sheets.

Iron Force Industrial Coporation and Subsidiaries
Name of investee company, location and other related information (excluding Mainland China investee company)
For the three months ended March 31, 2026

Tab 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held in the end of period			Current profit or loss of investee (Note 2(2))	Gains or losses on investments recognized in the current period (Note 2(3))	Note
				End the period	End of previous year	Number of shares	Ownership	Carry amount			
Iron Force Industrial Co., Ltd.	Transtat Investment Ltd.	Hong Kong	Holding company	$ 799,453	$ 799,453	37,365	100%	$ 4,672,436	$ 74,553	$ 74,553	Note 3
Iron Force Industrial Co., Ltd.	Cortec GmbH	Germany	Sales and purchases of hangers and display fixtures	27,104	27,104	750	100%	398,822	(1,620)	(1,620)	
Iron Force Industrial Co., Ltd.	Iron Force Poland Sp. z o.o.	Poland	Producing and sales of automotive safety components	658,901	658,901	1,600	100%	516,463	(17,634)	(17,634)	
Cortec GmbH	Cortec Kunststoff Technik GmbH & Co. KG	Germany	Producing and sales and purchases of hangers and display fixtures	889	889	-	100%	14,968	(1,313)	(1,313)	
Cortec GmbH	Cortec Verwaltungs GmbH	Germany	Management consulting company	881	881	-	100%	1,065	32	32	

Note 1: If a public company is equipped with an overseas holding company and takes parent company only financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

(1) The columns of ‘Name of investee company’, ‘Location’, ‘Main business’ , ‘ Original investment amount’ and ‘Shares held in the end of the period’ should fill orderly in the Company’s (public company’s) information on investees and every directly or indirectly controlled investee’s investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the ‘note’ column.

(2) The ‘Current profit or loss of the investee’ column shall be filled in the amount of profit or loss of each investee in the current period.

(3) The ’Gains or losses on investments recognized in the current period’ column shall only be filled in the amount of profit or loss of subsidiaries directly invested and investees accounted for using equity method and shall not be filled in for others. When filling in ‘Current profit or loss of each subsidiary directly invested’ column, the current profit or loss of each subsidiary shall include the gains or losses on investments of reinvestments that shall be recognized in accordance with regulations.

Note 3: On December 2025, The cash refund capital reduction by the Board of Directors of Transtat Investment LTD., the paid-in share capital were deducted from HKD $15,722 thousand and USD $23,980 thousand to HKD $15,722 thousand and USD $21,643, and the capital reduction refund had been returned to the ultimate parent company, Iron Force Industrial co.,Ltd

Iron Force Industrial Coporation and Subsidiaries
Information on investments in Mainland China
For the three months ended March 31, 2026

Tab 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of invertment remitted from Taiwan in the beginning of the period	Amount of investment remitted outward or inward in the current period: Remitted to Mainland China	Amount of investment remitted outward or inward in the current period: Remitted back to Taiwan	Accumulated amount of invertment remitted from Taiwan in the end of period	Current profit or loss of investee	Ownership held by the Company (direct or indirect)	Gains or losses on investments recognized in the current period (Note 2)	Carry amount of investements in the end of the period	Gains on investment remitted back as of the current period	Note
Zhejiang Iron Force Metal Products Co., Ltd.	Producing and sales of hangers, display fixtures and metal fixture	$ 46,261	(2)	$ 43,800	$ -	$ -	$ 43,800	($ 3,303)	100%	($ 3,303)	$ 114,705	$ 63,995	Note 5
Huzhou Iron Force Metal Products Co., Ltd.	Producing and sales of automotive safety components	1,951,294	(2)	703,149	-	-	703,149	77,909	100%	77,909	4,537,203	735,330	Note 6

Company name	Accumulated amount remitted from Taiwan to Mainland China as of end of the period	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Limit on investments in Mainland China imposed by the Investment Commission of MOEA
Iron Force Industrial Co., Ltd.	$ 746,949	$ 746,949	$ 3,121,372

Note 1: Investment methods are divided into the following three categories, and the labeling of each category is sufficient.

(1) Direct investment in mainland China
(2) Reinvesting in Mainland China through a third-party company (please specify the third-party investment company)
(3) Other methods

Note 2: The gains or losses on investments recognized in the current period are based on the financial statements reviewed by the auditors of the parent company in Taiwan.

Note 3: The numbers in the table shall be presented in NTD.

Note 4: (1) The differences between the paid-in capital of Zhejiang Iron Force Metal Products Co., Ltd. amounting to US$1,528 thousand and the accumulated amount of remittance from Taiwan amounting to US$1,262 thousand is US$266 thousand. This resulted from using dividends distribution of Huzhou Iron Force Metal Products Co., Ltd. amounting to US$400 thousand as the capital contribution to invest in Zhejiang Iron Force Metal Products Co., Ltd. and purchasing shares from the related parties at a premium price of US$ 134 thousand.

(2) The differences between the paid-in capital of Huzhou Iron Force Metal Products Co., Ltd. amounting to US$63,060 thousand and the accumulated amount of remittance from Taiwan amounting to US$22,200 thousand is US$40,860 thousand. This resulted from purchasing shares from the related parties at a premium price of US$1,140 thousand and the capital increase out of earnings of Huzhou Iron Force Metal Products Co., Ltd. in 2019, 2021, and 2024 in the amount of US$42,000 thousand.

Note 5: (1) As of March 31, 2026, the accumulated amount of investment income remitted back to Taiwan by Zhejiang Iron Force Metal Products Co., Ltd. amounted to US$2,108 thousand.

(2) On September 2025, The cash refund capital reduction by the Board of Directors of Zhejiang Iron Force Metal Products Co., Ltd., the paid-in share capital were deducted from USD $5,000 thousand to USD $1,528, and the capital reduction refund had been returned to Transtat Investment Ltd.. After this, it had been returned to the ultimate parent company, Iron Force Industrial co.,Ltd on December 2025.

Note 6: As of March 31, 2026, the accumulated amount of investment income remitted back to Taiwan by Huzhou Iron Force Metal Products Co., Ltd. amounted to US$24,080 thousand.