Hu Lane Associate Inc. and Subsidiaries

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

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Hu Lane Associate Inc.

Introduction

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

Scope of Review

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

Basis for Qualified Conclusion

As disclosed in Notes 10 and 11 to the consolidated financial statements, the financial statements of some non-significant subsidiaries and Investments accounted for using the equity method were not reviewed. As of March 31, 2026 and 2025, combined total assets of these non-significant subsidiaries were NT$2,103,684 thousand and NT$1,967,262 thousand, respectively, representing 13% and 14%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were NT$615,949 thousand and NT$598,791 thousand, respectively, representing 10% and 11%, respectively, of the consolidated total liabilities; for the three months ended March 31, 2026 and 2025, the amounts of the combined comprehensive income of these subsidiaries were NT$64,355 thousand and NT$79,930 thousand, respectively, representing 18% and 19%, respectively, of the consolidated total comprehensive income.

As of March 31, 2026 and 2025, the aforementioned investments accounted for using the equity method were NT$43,819 thousand and NT$31,791 thousand respectively; for the three months ended March 31, 2026 and 2025, the amounts of the combined comprehensive income of these subsidiaries were NT$4,197 thousand and NT$5,521 thousand, respectively, of the consolidated total comprehensive income.

Qualified Conclusion

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of the some non-significant subsidiaries and Investments accounted for using the equity method as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of the Group as of March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Jiun-hung Shih and Shiuh-Ran Cheng.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 6, 2026

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

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	March 31, 2026		December 31, 2025		March 31, 2025	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	$ 1,141,418	7	$ 906,181	6	$ 1,038,886	7
Financial assets at fair value through profit or loss - current (Note 7)	201,963	1	216,819	1	147,982	1
Notes receivable (Notes 8, 25 and 27)	2,453,738	16	2,185,640	14	2,165,148	15
Trade receivables from unrelated parties (Note 8)	2,105,711	13	2,779,829	18	2,582,258	18
Trade receivables from related parties (Notes 8 and 26)	152,960	1	156,699	1	129,858	1
Other receivables	13,747	-	20,579	-	33,664	-
Other receivables from related parties (Note 26)	-	-	-	-	6,641	-
Current tax assets (Note 22)	22,925	-	37,454	-	47,676	-
Inventories (Note 9)	2,772,293	18	2,738,481	17	2,337,712	16
Other current assets (Note 27)	602,017	4	541,632	4	350,505	3
Total current assets	9,466,772	60	9,583,314	61	8,840,330	61
NON-CURRENT ASSETS						
Investments accounted for using the equity method (Note 11)	43,819	-	39,622	-	31,791	-
Property, plant and equipment (Notes 12 and 27)	5,844,978	37	5,657,546	36	5,109,226	35
Right-of-use assets (Notes 13 and 27)	121,444	1	127,571	1	111,855	1
Investment properties	2,479	-	2,479	-	2,480	-
Other intangible assets	60,620	1	61,016	-	58,050	1
Deferred tax assets	51,962	-	55,881	-	56,491	-
Other non-current assets	217,081	1	236,716	2	289,079	2
Total non-current assets	6,342,383	40	6,180,831	39	5,658,972	39
TOTAL	$ 15,809,155	100	$ 15,764,145	100	$ 14,499,302	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 14 and 27)	$ 3,947,986	25	$ 3,394,889	22	$ 2,738,566	19
Notes payable	4,822	-	6,796	-	11,905	-
Trade payables to unrelated parties	1,306,618	8	1,939,361	12	1,499,395	10
Other payables to unrelated parties (Note 16)	612,410	4	837,616	6	650,204	5
Current tax liabilities	125,352	1	128,764	1	283,073	2
Provisions - current (Note 17)	14,560	-	14,560	-	-	-
Finance lease payables - current (Note 13)	40,293	-	46,806	-	38,274	-
Current portion of bonds payable (Notes 15 and 25)	-	-	-	-	143,477	1
Current portion of long-term borrowings (Notes 14 and 27)	2,891	-	-	-	-	-
Other current liabilities	39,684	-	42,462	-	58,120	-
Total current liabilities	6,094,616	38	6,411,254	41	5,423,014	37
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 14 and 27)	16,952	-	12,845	-	-	-
Deferred tax liabilities	228,687	2	229,487	2	244,334	2
Finance lease payables - non-current (Note 13)	26,471	-	27,481	-	19,246	-
Net defined benefit liabilities - non-current (Notes 4 and 18)	10,163	-	11,432	-	17,272	-
Other non-current liabilities	11,362	-	9,835	-	979	-
Total non-current liabilities	293,635	2	291,080	2	281,831	2
Total liabilities	6,388,251	40	6,702,334	43	5,704,845	39
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 19)						
Share capital						
Ordinary shares	1,190,157	7	1,190,157	8	1,027,390	7
Stock dividends to be distributed	-	-	-	-	95,134	1
Total share capital	1,190,157	7	1,190,157	8	1,122,524	8
Capital surplus	2,171,757	14	2,171,757	14	2,157,993	15
Retained earnings						
Legal reserve	1,128,116	7	1,128,116	7	996,561	7
Special reserve	130,113	1	130,113	1	301,406	2
Unappropriated earnings	4,687,707	30	4,496,816	28	4,152,482	28
Total retained earnings	5,945,936	38	5,755,045	36	5,450,449	37
Other equity	57,795	-	(108,561)	(1)	12,708	-
Total equity attributable to owners of the Company	9,365,645	59	9,008,398	57	8,743,674	60
NON-CONTROLLING INTERESTS	55,259	1	53,413	-	50,783	1
Total equity	9,420,904	60	9,061,811	57	8,794,457	61
TOTAL	$ 15,809,155	100	$ 15,764,145	100	$ 14,499,302	100

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

(With Deloitte & Touche review report dated May 6, 2026)

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

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

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 20 and 26)	$ 2,123,415	100	$ 2,327,508	100
OPERATING COSTS (Notes 9 and 21)	1,557,618	73	1,589,787	68
GROSS PROFIT	565,797	27	737,721	32
OPERATING EXPENSES (Notes 8, 21 and 26)				
Selling and marketing expenses	92,011	4	99,978	5
General and administrative expenses	152,508	7	122,174	5
Research and development expenses	131,327	6	118,797	5
Expected credit loss	8,895	1	964	-
Total operating expenses	384,741	18	341,913	15
PROFIT FROM OPERATIONS	181,056	9	395,808	17
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 21)	3,408	-	2,524	-
Other income (Note 21)	17,846	1	15,197	1
Other gains and losses (Note 21)	53,604	3	36,606	2
Finance costs	(12,967)	(1)	(14,894)	(1)
Share of profit or loss of associates and joint ventures	2,982	-	4,897	-
Total non-operating income and expenses	64,873	3	44,330	2
PROFIT BEFORE INCOME TAX	245,929	12	440,138	19
INCOME TAX EXPENSE (Notes 4 and 22)	53,188	3	102,600	5
NET PROFIT FOR THE PERIOD	192,741	9	337,538	14

(Continued)

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

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

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (Note 19)				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	$ 165,137	8	$ 82,374	4
Share of the other comprehensive income of associates and joint ventures accounted for using the equity method	1,215	-	624	-
Other comprehensive income for the period, net of income tax	166,352	8	82,998	4
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 359,093	17	$ 420,536	18
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 190,891	9	$ 335,077	14
Non-controlling interests	1,850	-	2,461	-
	$ 192,741	9	$ 337,538	14
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 357,247	17	$ 417,977	18
Non-controlling interests	1,846	-	2,559	-
	$ 359,093	17	$ 420,536	18
EARNINGS PER SHARE (Note 23)				
Basic	$ 1.60		$ 3.00	
Diluted	$ 1.60		$ 2.84	

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

(With Deloitte & Touche review report dated May 6, 2026) (Concluded)

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company									
	Share Capital			Retained Earnings			Other Equity			
	Ordinary Shares	Stock Dividends to Be Distributed	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Total	Non-controlling Interests	Total Equity
BALANCE ON JANUARY 1, 2025	$ 1,027,390	$ 19,782	$ 1,284,962	$ 996,561	$ 301,406	$ 3,817,405	$ (70,192)	$ 7,377,314	$ 48,224	$ 7,425,538
Convertible bonds converted to ordinary shares	-	75,352	873,031	-	-	-	-	948,383	-	948,383
Net profit for the three months ended March 31, 2025	-	-	-	-	-	335,077	-	335,077	2,461	337,538
Other comprehensive income for the three months ended March 31, 2025, net of income tax	-	-	-	-	-	-	82,900	82,900	98	82,998
Total comprehensive income for the three months ended March 31, 2025	-	-	-	-	-	335,077	82,900	417,977	2,559	420,536
BALANCE ON MARCH 31, 2025	$ 1,027,390	$ 95,134	$ 2,157,993	$ 996,561	$ 301,406	$ 4,152,482	$ 12,708	$ 8,743,674	$ 50,783	$ 8,794,457
BALANCE ON JANUARY 1, 2026	$ 1,190,157	$ -	$ 2,171,757	$ 1,128,116	$ 130,113	$ 4,496,816	$ (108,561)	$ 9,008,398	$ 53,413	$ 9,061,811
Net profit for the three months ended March 31, 2026	-	-	-	-	-	190,891	-	190,891	1,850	192,741
Other comprehensive income (loss) for the three months ended March 31, 2026, net of income tax	-	-	-	-	-	-	166,356	166,356	(4)	166,352
Total comprehensive income for the three months ended March 31, 2026	-	-	-	-	-	190,891	166,356	357,247	1,846	359,093
BALANCE ON MARCH 31, 2026	$ 1,190,157	$ -	$ 2,171,757	$ 1,128,116	$ 130,113	$ 4,687,707	$ 57,795	$ 9,365,645	$ 55,259	$ 9,420,904

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

(With Deloitte & Touche review report dated May 6, 2026)

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

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

	For the Three Months Ended March 31	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 245,929	$ 440,138
Adjustments for:		
Depreciation expenses	183,642	151,932
Amortization expenses	21,765	16,551
Expected credit loss recognized on trade receivables	8,895	964
Net loss on fair value change of financial assets and liabilities at fair value through profit or loss	14,856	18,485
Finance costs	12,967	14,894
Interest income	(3,408)	(2,524)
Share of profit of associates and joint ventures	(2,982)	(4,897)
Loss on disposal of property, plant and equipment	208	165
Reversal of write-downs of inventories	(4,568)	(47,359)
Changes in operating assets and liabilities		
Notes receivable	(268,098)	(345,803)
Trade receivables from unrelated parties	664,151	190,488
Trade receivables from related parties	3,739	14,693
Other receivables from unrelated parties	6,042	(6,914)
Other receivables from related parties	-	(84)
Inventories	(36,933)	(124,017)
Other current assets	(60,385)	(9,292)
Other non-current assets	80,625	36,557
Notes payable	(1,974)	540
Trade payables to unrelated parties	(632,743)	(49,993)
Other payables to unrelated parties	(182,774)	(114,390)
Other current liabilities	(2,778)	(8,811)
Net defined benefit liabilities	(70)	(9,446)
Other non-current liabilities	-	58
Cash generated from operations	46,106	161,935
Interest received	4,198	2,681
Interest paid	(13,338)	(12,528)
Income tax paid	(54,754)	(61,106)
Net cash (used in) generated from operating activities	(17,788)	90,982
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(368,516)	(341,566)
Proceeds from disposal of property, plant and equipment	6,359	24,589
Increase in refundable deposits	(929)	(963)
Payments for intangible assets	(1,440)	(4,243)
Net cash used in investing activities	(364,526)	(322,183)

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HU LANE ASSOCIATE INC. AND SUBSIDIARIES

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

	For the Three Months Ended March 31	
	2026	**2025**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	$ 553,097	$ 112,127
Proceeds from long-term borrowings	6,998	-
Proceeds from guarantee deposits received	328	19
Repayment of the principal portion of lease liabilities	(13,243)	(12,979)
Net cash generated from financing activities	547,180	99,167
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	70,371	42,266
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	235,237	(89,768)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	906,181	1,128,654
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 1,141,418	$ 1,038,886

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

(With Deloitte & Touche review report dated May 6, 2026) (Concluded)

1. GENERAL INFORMATION

Organization and Operations of the Parent Company

Hu Lane Associate Inc. (the "Company" or Hu Lane Associate) was incorporated in July 1977 as Hu Lane Enterprise Co., Ltd. and renamed as Hu Lane Industry Co., Ltd. on January 29, 2001, and later renamed again as Hu Lane Associate Inc. in 2003. Hu Lane Associate established the Hong Kong Branch in October 2001. Hu Lane Associate is mainly engaged in the manufacturing and sale of terminal devices, terminal crimping, industrial rubber and plastic products. The Hong Kong Branch of Hu Lane Associate completed the deregistration in January 2026.

Hu Lane Associate's shares have been listed on the Taipei Exchange since November 26, 2003. Hu Lane Associate's stockholders approved the planned merger with Jie Yun Industry Co., Ltd. on May 28, 2004 with the effective merger date on August 31, 2004, and Hu Lane Associate was the surviving entity. Hu Lane Associate's board of directors approved the planned merger with I-hung Steel Co., Ltd. on April 10, 2014 with the effective merger date on May 12, 2014, and Hu Lane Associate was the surviving entity. Hu Lane Associate's board of directors approved the planned merger with its 100%-owned subsidiary, Shang Ho Industry Co., Ltd. in May 2023 with the effective merger date on July 1, 2023, and Hu Lane Associate was the surviving entity.

The consolidated financial statements are presented in the Company's functional currency, the New Taiwan dollar.

Organization and Operations of the Subsidiaries

Evervalue Investments Limited (Evervalue), a company established on March 12, 2001, is a 100%-owned subsidiary of Hu Lane Associate. It is mainly engaged in investment.

Telford Investments Limited (Telford), a company established on March 8, 2001, is a 100%-owned subsidiary of Hu Lane Associate. It is mainly engaged in investment. The board of directors resolved in December 20, 2024 and canceled in June 23, 2025.

Hu Lane Electronics (Vietnam) Limited (HuLane Vietnam), a company established in November 2009, is a 100%-owned subsidiary of Hu Lane Associate. It is mainly engaged in manufacturing terminals and molding.

Hulane Electronics (Nanjing) Limited (Hulane Nanjing), a company established in January 2004, is a 100%-owned subsidiary of Evervalue. It is mainly engaged in manufacturing terminals and molding.

Fortune Master Development Limited (Fortune Master), a company established on March 5, 2010, is a 100%-owned subsidiary of Evervalue. It is mainly engaged in trading and investment.

Dongguan Hulane Electronics Technology (Dongguan Hulane), a company established in June 2011, is a 100%-owned subsidiary of Fortune Master. It is mainly engaged in the manufacturing of terminals and molding.

Dongguan Hulane Puquang Trading Limited (Dongguan Puquang), a company established in May 2012, is a 100%-owned subsidiary of Fortune Master. It is mainly engaged in sales of vehicle components and plastic materials.

PT Hulane Tech Manufacturing's 80% equity was acquired by the Company in December 2017. The purpose of this acquisition is to develop area integration for the long-term expansion and operations of the Company. PT Hulane Tech Manufacturing applied for capital increase in August 2020 and Evervalue Investments Limited participated in the capital increase. After the capital increase, the Company and Evervalue Investments Limited held 32% and 48% shareholding of PT Hulane Tech Manufacturing, respectively.

PT Hulane Tech Manufacturing applied for capital increase in June 2023 and Evervalue Investments Limited participated in the capital increase. After the capital increase, the Company and Evervalue Investments Limited held 12% and 72% shareholding of PT Hulane Tech Manufacturing, respectively. Hu Lane Associate entered into an equity transfer transaction with Evervalue Investments Limited, acquiring an additional 72% equity interest and increasing its total ownership interest to 84% in January 2026.

Eagle Good Limited (Eagle Good), a company established in June 2022, is a 100%-owned subsidiary of the Company. It is mainly engaged in reinvestment.

Jiaxing Shangho Electrics Technology Co., Ltd. (Jiaxing Shangho), a company established in May 2012, is a 100%-owned subsidiary of Eagle Good. It is mainly engaged in the manufacturing of harnesses.

HuLane Associate Inc. Europe S.r.1., a company established on June 2023, is a 90%-owned subsidiary of the Company. It is mainly engaged in the sales of various auto parts, electrical equipment and parts and plastics.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on May 6, 2026.

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

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

   The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group's accounting policies.

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"(including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027

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

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

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

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

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

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

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

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

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

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

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

Except for the above impact, the Group has assessed that the amended other standards or interpretations do not have a significant influence on the Group. As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other impacts of the above amended standards or interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Basis of preparation

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

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

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

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

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

c. Basis of consolidation

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

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

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

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

See Note 10, Table 7 and Table 8 for the detailed information of subsidiaries (including the percentage of ownership and main businesses).

d. Other material accounting policies

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

1) Revenue recognition

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

For contracts entered into with the same customer (or related parties of the customer) at or near the same time, those contracts are accounted for as a single contract if the contracts are negotiated as a package with a single commercial objective.

Revenue from the sale of goods

Revenue from the sale of goods comes from sales of terminals and molds. Sales of terminals and molds are recognized as revenue when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence.

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

2) Retirement benefits

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

3) Income tax expense

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

4) Reorganization under common control

The Group applies the book value method to account for a reorganization under common control, as the ultimate controlling party remains unchanged, such transactions do not affect the preparation of the consolidated financial statements.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Refer to the statements of material accounting judgments and key sources of estimation uncertainty to the consolidated financial statements for the year ended December 31, 2025.

6. CASH AND CASH EQUIVALENTS

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand	$ 2,751	$ 3,236	$ 2,496
Checking accounts and demand deposits	697,136	720,651	893,608
Cash equivalents			
Time deposits with original maturities within three months	441,531	182,294	142,782
	$ 1,141,418	$ 906,181	$ 1,038,886

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets at FVTPL - current			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Redemption rights and put options (Note 15)	$ -	$ -	$ 15
Non-derivative financial assets			
Domestic listed shares	92,919	105,881	141,067
Mutual funds	109,044	110,938	6,900
	$ 201,963	$ 216,819	$ 147,982

8. NOTES RECEIVABLE AND TRADE RECEIVABLES

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable			
Notes receivable - operating	$ 2,453,738	$ 2,185,640	$ 2,165,148
Trade receivables from unrelated parties			
Trade receivables	$ 2,156,337	$ 2,820,451	$ 2,621,772
Less: Allowance for impairment loss	(50,626)	(40,602)	(39,514)
	$ 2,105,711	$ 2,779,829	$ 2,582,258
Trade receivables from related parties			
Trade receivables	$ 153,020	$ 156,796	$ 129,926
Less: Allowance for impairment loss	(60)	(97)	(68)
	$ 152,960	$ 156,699	$ 129,858

Refer to Notes 25 and 27 for details of the factoring agreements for note receivables.

The average credit period of sales of goods was 90 days. No interest was charged on trade receivables. The Group adopted a policy of only dealing with reputable entities, and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit rating information is obtained from other publicly available financial information or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the executive vice president, internal audit department and accounting department annually.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default records of the debtor and an analysis of the debtor's current financial position at the reporting date. As the Group's historical credit loss experience show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is further distinguished according to the Group's different customer base.

The following table details the loss allowance of trade receivables based on the Group's provision matrix.

March 31, 2026

	Not Past Due	1 to 90 Days	91 to 180 Days	181 to 270 Days	Over 271 Days	Total
Expected credit loss rate	0.01%-2.86%	0.01%-9.12%	7.9%-14.98%	49.44-85.85%	100%	
Gross carrying amount	$ 1,990,697	$ 260,952	$ 15,195	$ 5,633	$ 36,880	$ 2,309,357
Loss allowance (Lifetime ECLs)	(3,408)	(3,380)	(3,050)	(3,968)	(36,880)	(50,686)
Amortized cost	$ 1,987,289	$ 257,572	$ 12,145	$ 1,665	$ -	$ 2,258,671

December 31, 2025

	Not Past Due	1 to 90 Days	91 to 180 Days	181 to 270 Days	Over 271 Days	Total
Expected credit loss rate	0.02%-2.86%	0.09%-9.12%	2.88%-23.88%	25.27%-57.10%	100%	
Gross carrying amount	$ 2,383,223	$ 549,591	$ 7,551	$ 6,895	$ 29,987	$ 2,977,247
Loss allowance (Lifetime ECLs)	(4,376)	(2,147)	(773)	(3,436)	(29,987)	(40,719)
Amortized cost	$ 2,378,847	$ 547,444	$ 6,778	$ 3,459	$ -	$ 2,936,528

March 31, 2025

	Not Past Due	1 to 90 Days	91 to 180 Days	181 to 270 Days	Over 271 Days	Total
Expected credit loss rate	0.01%-2.53%	0.03%-8.68%	2.58%-15.76%	21.56%-43.41%	100%	
Gross carrying amount	$ 2,313,978	$ 390,279	$ 12,766	$ 4,076	$ 30,599	$ 2,751,698
Loss allowance (Lifetime ECLs)	(4,451)	(2,560)	(564)	(1,408)	(30,599)	(39,582)
Amortized cost	$ 2,309,527	$ 387,719	$ 12,202	$ 2,668	$ -	$ 2,712,116

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

	For the Three Months Ended March 31	
	2026	**2025**
Balance on January 1	$ 40,719	$ 39,947
Impairment loss recognized	8,895	964
Amounts written off	-	(2,068)
Foreign exchange gains and losses	1,072	739
Balance on March 31	$ 50,686	$ 39,582

9. INVENTORIES

	March 31, 2026	December 31, 2025	March 31, 2025
Finished goods	$ 691,402	$ 695,742	$ 623,446
Work in progress	343,689	322,185	276,058
Raw materials and supplies	619,582	587,871	497,172
Merchandise	1,117,620	1,132,683	941,036
	$ 2,772,293	$ 2,738,481	$ 2,337,712

The cost of inventories recognized as cost of goods sold for the three months ended March 31, 2026 and 2025 was $1,557,618 thousand and $1,589,787 thousand, respectively. The cost of goods sold included reversal of inventory write-downs amounted to $4,568 thousand and $47,359 thousand, respectively. Inventory write-downs were reversed as a result of increased selling prices in certain markets.

10. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements:

			Proportion of Ownership (%)		
Investor	Investee	Nature of Activities	March 31, 2026	December 31, 2025	March 31, 2025
Hu Lane Associate	Telford (Notes 1 and 3)	Investment	-	-	100
	Evervalue (Note 2)	Investment	100	100	100
	Hu Lane Vietnam (Note 3)	Manufacture of plastic connectors and molds	100	100	100
	PT. Hulane Tech Manufacturing (Notes 2 and 3)	Manufacture of plastic connectors and molds	84	12	12
	Eagle Good (Note 3)	Investment	100	100	100
	HuLane Associate Inc. Europe S.r.1. (Note 3)	Sales of vehicle components and plastic materials	90	90	90
Evervalue	Hulane Nanjing	Manufacture of plastic connectors and molds	100	100	100
	Fortune Master	Trading and investment	100	100	100
	PT. Hulane Tech Manufacturing (Notes 2 and 3)	Manufacture of plastic connectors and molds	-	72	72
Fortune Master	Dongguan Hulane	Manufacture of plastic connectors and molds	100	100	100
	Dongguan Puguang	Sales of vehicle components and plastic materials	100	100	100
Eagle Good	Jiaxing Shangho (Note 3)	Manufacture of plastic connectors and molds	100	100	100

Note 1: Telford's board of directors resolved to wind up the company on December 20, 2024, and the liquidation was completed on June 23, 2025.

Note 2: The Company to integrate the resources and to enhance operation synergy of the Company, the board of directors resolved in August 7, 2025. The Company intends to acquire a 71.91% equity interest in PT Hulane Tech Manufacturing held by Evervalue. The equity transfer transaction was completed on January 30, 2026, the Company had hold a total of 84.22% equity interest in PT Hulane Tech Manufacturing.

Note 3: Non-significant subsidiaries.

b. Subsidiaries excluded from the consolidated financial statements: None.

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2026	December 31, 2025	March 31, 2025
Associate that is not individually material			
Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	$ 43,819	$ 39,622	$ 31,791

The calculation is based on the unreviewed financial statements of Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd. However, the management considers that the unreviewed financial statements of the above investees do not have material impacts.

12. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery Equipment	Transportation Equipment	Furniture and Fixtures	Other Equipment	Prepayments for Equipment and Property under Construction	Total
Cost								
Balance on January 1, 2026	$ 1,063,100	$ 1,627,494	$ 4,756,947	$ 31,566	$ 135,563	$ 107,418	$ 653,396	$ 8,375,484
Additions	-	33,308	84,873	254	7,367	1,002	199,651	326,455
Disposals	-	-	(4,581)	-	(502)	-	(3,862)	(8,945)
Effect of foreign currency exchange differences	-	22,073	141,498	671	2,777	4,850	19,813	191,682
Reclassifications	-	360	52,363	-	642	1,430	(129,273)	(74,478)
Balance on March 31, 2026	1,063,100	1,683,235	5,031,100	32,491	145,847	114,700	739,725	8,810,198
Accumulated depreciation								
Balance on January 1, 2026	-	366,071	2,235,980	18,519	74,456	22,912	-	2,717,938
Depreciation expense	-	15,082	144,632	891	4,367	4,627	-	169,599
Disposals	-	-	(1,902)	-	(476)	-	-	(2,378)
Effect of foreign currency exchange differences	-	8,333	68,222	402	1,443	1,661	-	80,061
Balance on March 31, 2026	-	389,486	2,446,932	19,812	79,790	29,200	-	2,965,220
Carrying amounts on March 31, 2026	$ 1,063,100	$ 1,293,749	$ 2,584,168	$ 12,679	$ 66,057	$ 85,500	$ 739,725	$ 5,844,978
Carrying amounts on December 31, 2025	$ 1,063,100	$ 1,261,423	$ 2,520,967	$ 13,047	$ 61,107	$ 84,500	$ 653,396	$ 5,657,546
Cost								
Balance on January 1, 2025	$ 1,062,617	$ 1,636,130	$ 4,116,156	$ 26,765	$ 128,382	$ 88,176	$ 469,079	$ 7,527,305
Additions	-	19,227	129,021	1,307	1,411	9,052	147,250	307,268
Disposals	-	-	(173,890)	-	(7,189)	(783)	(4,959)	(186,821)
Effect of foreign currency exchange differences	-	7,865	69,609	368	1,080	995	7,140	87,057
Reclassifications	-	-	19,826	-	-	3,132	(120,445)	(97,487)
Balance on March 31, 2025	1,062,617	1,663,222	4,160,722	28,440	123,684	100,572	498,065	7,637,322
Accumulated depreciation								
Balance on January 1, 2025	-	315,724	2,083,052	15,635	71,600	22,957	-	2,508,968
Depreciation expense	-	15,200	117,507	674	3,368	3,255	-	140,004
Disposals	-	-	(154,540)	-	(7,144)	(383)	-	(162,067)
Effect of foreign currency exchange differences	-	3,210	36,596	225	720	440	-	41,191
Balance on March 31, 2025	-	334,134	2,082,615	16,534	68,544	26,269	-	2,528,096
Carrying amounts on March 31, 2025	$ 1,062,617	$ 1,329,088	$ 2,078,107	$ 11,906	$ 55,140	$ 74,303	$ 498,065	$ 5,109,226

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

Building	5-50 years
Machinery equipment	2-14 years
Transportation equipment	3-11 years
Furniture and fixtures and other equipment	3-11 years

Property, plant and equipment pledged as collateral for bank borrowings were set out in Note 27.

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amounts			
Land	$ 51,512	$ 49,860	$ 53,728
Buildings	61,688	71,985	51,270
Office equipment	3,980	3,362	3,160
Transportation equipment	4,264	2,364	3,697
	$ 121,444	$ 127,571	$ 111,855

	For the Three Months Ended March 31	
	2026	2025
Additions to right-of-use assets	$ 3,967	$ 21,491
Depreciation charge for right-of-use assets		
Land	$ 439	$ 444
Buildings	12,167	10,111
Office equipment	635	404
Transportation equipment	802	967
	$ 14,043	$ 11,926

Except for the above additions and depreciation expense recognized, the Group's right-of-use assets were not significantly impaired during the three months ended March 31, 2026 and 2025.

b. Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amounts			
Current	$ 40,293	$ 46,806	$ 38,274
Non-current	$ 26,471	$ 27,481	$ 19,246

Ranges of discount rates for lease liabilities were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Buildings	1.8780%-6.6000%	1.5336%-6.6000%	1.5336%-6.6000%
Office equipment	0.6627%-1.8780%	0.6627%-1.8780%	0.6627%-1.8780%
Transportation equipment	0.9459%-1.8780%	0.9459%-1.8780%	0.9459%-1.8780%

c. Other lease information

	For the Three Months Ended March 31	
	2026	2025
Expenses relating to short-term leases	$ 4,865	$ 4,292
Total cash outflow for leases	$ (18,648)	$ (17,788)

The Group's leases of certain building, office equipment and transportation equipment qualify as short-term leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

14. BORROWINGS

a. Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Secured borrowings (Note 27)			
Bank loans	$ 640,687	$ 305,352	$ 35,410
Notes receivable as collateral	1,424,442	1,283,721	1,063,007
Unsecured borrowings			
Line of credit borrowings	1,882,857	1,805,816	1,640,149
	$ 3,947,986	$ 3,394,889	$ 2,738,566

1) The range of interest rate on borrowings was 0.60%-5.32%, 0.60%-5.33% and 1.30%-5.33% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

2) Endorsements and guarantees for Dongguan Puguang and PT Hulane Tech Manufacturing are provided by the Company.

3) Endorsements and guarantees for Dongguan Puguang is provided by Dongguan Hulane.

b. Long-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Secured borrowings (Note 27)			
Bank loans	$ 19,843	$ 12,845	$ -
Less: Portion classified as due within one year	(2,891)	-	-
	$ 16,952	$ 12,845	$ -

The Group’s long-term secured bank borrowings are collateralized by property, plant and equipment, mature in September 2028. As of March 31, 2026 and December 31, 2025, an effective annual interest rate were both 2.6%, the loan carries a floating interest rate tied to the LPR rate for each cycle with repayment shall be effected through installment payments of principal in accordance with the periods stipulated in the contract. This disbursement was used to purchase equipment.

15. BONDS PAYABLE

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured domestic convertible bonds	$ -	$ -	$ 143,477
Less: Portion classified as due within one year	-	-	(143,477)
	$ -	$ -	$ -

The Company was approved by letters of FSC No. 1120339981 on May 8, 2023 and Republic of China Securities OTC Trading Center No. 11200053862 on June 9, 2023 to issue the first unsecured domestic convertible bonds on June 14, 2023. The conditions of issuance were as follows:

a. Approved issuance quota: $1,500,000 thousand.

b. Amount issued: $1,500,000 thousand.

c. Face value: $100 thousand, issued at face value.

d. Issuance period: The issuance period is 5 years, and from June 14, 2023 to June 14, 2028.

e. Issuance price (NT$100 thousand each): NT$108.61 (issued at 108.61% of face value).

f. Coupon rate: 0%.

g. Conversion price: $133.40.

h. Principal repayment method: Except for the holders of the corporate bonds who has conversion right to convert bonds into ordinary shares of the Company at conversion price per share, or exercise the right to sell back, or the Company redeems it in advance, or the Company buys it back and cancels it by the business office of the securities firm, the Company shall repay the convertible bonds in cash at face value when they mature.

i. Conversion period: From the day after the issuance of the convertible bonds for three months (September 15, 2023) to the maturity date (June 14, 2028).

   The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - options. The effective interest rate of the liability component was 1.8047% per annum on initial recognition.

Proceeds from issuance (less transaction costs of $5,233 thousand)	$ 1,623,855
Equity component	(251,575)
Financial liabilities - redemption rights and put options	(600)
Liability component at the date of issue	1,371,680
Interest charged at an effective interest rate of 1.8047%	43,127
Convertible bonds converted into ordinary shares	(1,409,507)
Bond redemption	(5,300)
Liability component at March 31, 2026	$ -

In April 2025, the Company repurchased the remaining convertible corporate bonds with a principal amount of $5,600 thousand, resulting in a repurchase gain of $45 thousand (recognized under "Other Gains and Losses"). The previously recognized amounts - Capital Surplus - Stock Warrants of $955 thousand, Discount on Bonds Payable of $300 thousand, and Financial Liabilities at Fair Value Through Profit or Loss - Redemption and Put Options of $5 thousand - were reclassified to Capital Surplus - Treasury Share Transactions in the amount of $615 thousand.

Starting from the day following three months after the issuance of the convertible bonds until forty days before the maturity date, if the closing price of the Company's common stock exceeds 30% of the then-effective conversion price for thirty consecutive trading days, the Company may, within the following thirty trading days, send a "Bond Redemption Notice" to bondholders via registered mail, providing a thirty-day notice period. The redemption price is set at the face value of the convertible bonds, and the Company will redeem all bonds in cash. The Company will also request the Over-the-Counter (OTC) trading center to make an announcement.

Upon exercising the redemption request, the Company must complete the cash redemption of the convertible bonds within five trading days after the bond redemption record date. As the closing price of the Company's common stock exceeded 30% of the then-effective conversion price for thirty consecutive trading days as of March 10, 2025, the Company exercised its bond redemption right from March 20, 2025 to April 18, 2025, at a redemption price of 100% of the bond's face value. The last application date for holders of the convertible bonds to convert them into ordinary shares of the Company is April 22, 2025, and all remaining unconverted convertible bonds were fully redeemed by the Company on April 25, 2025. For further details, please refer to the Market Observation Post System.

16. OTHER PAYABLES

	March 31, 2026	December 31, 2025	March 31, 2025
Accrued salaries and bonuses	$ 163,391	$ 280,173	$ 133,642
Compensation of employees and remuneration of directors and supervisors	75,790	65,290	88,981
Payables for equipment	205,721	247,782	167,429
Payables for packaging material	32,399	37,772	29,302
Payables for mold cost	31,664	30,897	42,407
Payables for interest	920	1,291	1,906
Others	102,525	174,411	186,537
	$ 612,410	$ 837,616	$ 650,204

17. PROVISIONS

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Compensation loss	$ 14,560	$ 14,560	$ -

	Compensation Loss
Balance at January 1 and March 31, 2025	$ -
Balance at January 1 and March 31, 2026	$ 14,560

The provision for loss compensation liabilities represents the Group's best estimate of future outflows of economic benefits arising from its contractual obligation to compensate for product defects under sales agreements.

18. RETIREMENT BENEFIT PLANS

The Company's pension plans include defined contribution plans and defined benefit plans. The pension expenses of defined benefit plans were calculated based on the pension cost rate determined by the actuarial calculation on March 31, 2025 and 2024, respectively.

The pension expense of retirement benefit plans was as follows:

	For the Three Months Ended March 31	
	2026	2025
Defined benefit plans	$ 110	$ 191
Defined contribution plans	$ 30,204	$ 26,484

19. EQUITY

a. Share capital

1) Ordinary shares

	March 31, 2026	December 31, 2025	March 31, 2025
Number of shares authorized (in thousands)	200,000	200,000	120,000
Shares authorized	$ 2,000,000	$ 2,000,000	$ 1,200,000
Number of shares issued and fully paid (in thousands)	119,016	119,016	102,739
Shares issued	$ 1,190,157	$ 1,190,157	$ 1,027,390

The change in the share capital of the Company is mainly due to the distribution of stock dividends and the exercise of conversion right of convertible bonds.

The shareholders' meeting resolved to issue share dividends of $0.5 which increased the share capital issued $56,674 thousand on June 26, 2025. On July 18, 2025, the above transaction was approved by the FSC, and the ex-rights (ex-dividend) record date was determined by the board of directors to be September 9, 2025. The Company received the approval letters of the registration on September 25, 2025.

2) Convertible bonds converted to ordinary shares

	March 31, 2026	December 31, 2025	March 31, 2025
Number of shares requested for conversion and change in registration not yet been completed (in thousands)	$ -	$ -	$ 9,513
Shares requested for conversion but change in registration has not yet been completed (in thousands)	$ -	$ -	$ 95,134

b. Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)			
Issuance of ordinary shares	$ 567,701	$ 567,701	$ 681,049
Conversion of bonds	1,547,007	1,547,007	1,395,034
Consolidation excess	53,723	53,723	53,723
Arising from treasury share transactions	615	615	-
May only be used to offset a deficit			
Recognizes changes in the ownership interests in subsidiaries (2)	2,610	2,610	2,610
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	101	101	101
May not be used for any purpose			
Share options	-	-	25,476
	$ 2,171,757	$ 2,171,757	$ 2,157,993

1) The capital surplus arising from shares issued in excess of par (including share premium from issuance of common shares), consolidation excess and donations may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

2) Such capital surplus arising from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, please refer to Note 21 f: Compensation of employees and remuneration of directors.

In consideration of the operating environment and business growth, the Company distributed dividends both by cash and by stock to meet the capital needs for the Company's present and future expansion plans and to satisfy stockholders' cash flow requirements. In principle, cash dividends should not be lower than 10% of total dividends distributed.

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

The appropriations of earnings for 2025 that were proposed by the board of directors on April 10, 2026 and the appropriations of earnings for 2024 that had been resolved by the shareholders in their meeting on June 26, 2025, were as follows:

	Appropriation of Earnings		**Dividends Per Share (NT$)**	
	For the Year Ended December 31		**For the Year Ended December 31**	
	2025	**2024**	**2025**	**2024**
Legal reserve	$ 126,309	$ 131,555		
Special reserve	38,369	(171,293)		
Cash dividends	654,587	566,742	$ 5.5	$ 5.00
Stock dividends	-	56,674	-	0.50

The Company's shareholders resolved in their meeting on June 26, 2025 to issue cash dividends of $113,348 thousand, from the capital surplus.

The appropriation of earnings for 2025 is subject to the resolution of the shareholders in the shareholders' meeting to be held on May 26, 2026.

d. Other equity items

Exchange differences on translation of the financial statements of foreign operations

	For the Three Months Ended March 31	
	2026	**2025**
Balance on January 1	$ (108,561)	$ (70,192)
Exchange differences on translation of the financial statements of foreign operations	165,141	82,276
Share from subsidiaries and associates accounted for using the equity method	1,215	624
Other comprehensive income recognized for the period	166,356	82,900
Balance on March 31	$ 57,795	$ 12,708

e. Non-controlling interests

	For the Three Months Ended March 31	
	2026	**2025**
Balance on January 1	$ 53,413	$ 48,224
Net profit for the period	1,850	2,461
Other comprehensive income during the period		
Exchange differences on translating the financial statements of foreign operations	(4)	98
Balance on March 31	$ 55,259	$ 50,783

20. REVENUE

	For the Three Months Ended March 31	
	2026	**2025**
Revenue from contracts with customers		
Revenue from the sale of goods	$ 2,123,415	$ 2,327,508

a. Description of customer contract

For details on the nature of various types of revenue, please refer to Note 4.

b. Contact balances

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Notes receivable and trade receivables (Note 8)	$ 4,712,409	$ 5,122,168	$ 4,877,264

21. NET PROFIT AND OTHER COMPREHENSIVE INCOME

a. Interest income

	For the Three Months Ended March 31	
	2026	2025
Bank deposits	$ 3,408	$ 2,524

b. Other income

	For the Three Months Ended March 31	
	2026	2025
Subsidy income	$ 68	$ 498
Rental income	170	90
Others	17,608	14,609
	$ 17,846	$ 15,197

c. Other gains and losses

	For the Three Months Ended March 31	
	2026	2025
Loss on financial assets and liabilities at FVTPL	$ (14,856)	$ (18,485)
Net foreign exchange gains	74,836	66,961
Loss on disposal of property, plant and equipment	(208)	(165)
Other losses	(6,168)	(11,705)
	$ 53,604	$ 36,606

d. Depreciation and amortization expenses

	For the Three Months Ended March 31	
	2026	2025
Property, plant and equipment	$ 169,599	$ 140,004
Investment properties	-	2
Right-of-use assets	14,043	11,926
Intangible assets and others	21,765	16,551
	$ 205,407	$ 168,483
An analysis of depreciation by function		
Operating costs	$ 150,865	$ 123,310
Operating expenses	32,777	28,622
	$ 183,642	$ 151,932

(Continued)

	For the Three Months Ended March 31	
	2026	2025
An analysis of amortization by function		
Operating costs	$ 6,343	$ 4,509
Operating expenses	15,422	12,042
	$ 21,765	$ 16,551

(Concluded)

e. Employee benefits expense

	For the Three Months Ended March 31	
	2026	2025
Short-term benefits	$ 419,889	$ 418,255
Post-employment benefits (Note 18)		
Defined contribution plans	30,204	26,484
Defined benefit plans	110	191
	30,314	26,675
Other employee benefits	33,468	33,142
Total employee benefits expense	$ 483,671	$ 478,072
An analysis of employee benefits expense by function		
Operating costs	$ 283,332	$ 275,959
Operating expenses	200,339	202,113
	$ 483,671	$ 478,072

f. Compensation of employees and remuneration of directors

According to the Articles of Incorporation of the Company, the Company accrues compensation of employees and remuneration of directors at the rates of 1%-10% and no higher than 1%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, The Company’s shareholders’ meeting resolved to approve amendments to the Articles of Incorporation on June 26, 2025, which the Company accrued compensation of employees no less than 15% of the total amount appropriated and compensation of directors no higher than 1% of the total amount appropriate. The compensation of employees and the remuneration of directors for the three months ended March 31, 2026 and 2025 are as follows:

Accrual rate

	For the Three Months Ended March 31	
	2026	2025
Compensation of employees	3.55%	4.29%
Remuneration of directors	0.83%	0.88%

Amount

	For the Three Months Ended March 31	
	2026	**2025**
Compensation of employees	$ 8,500	$ 18,500
Remuneration of directors	$ 2,000	$ 3,800

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

The compensation of employees and remuneration of directors for the years ended December 31, 2025 and 2024 which have been approved by the Company's board of directors on March 10, 2026 and March 12, 2025, respectively, were as follows:

	For the Year Ended December 31	
	2025	**2024**
	Cash	**Cash**
Compensation of employees	$ 52,645	$ 53,035
Remuneration of directors	12,500	13,490

The compensation of employees and remuneration of directors for the year ended December 31, 2025 were not yet been paid. There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2024.

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

22. INCOME TAX

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

	For the Three Months Ended March 31	
	2026	**2025**
Current tax		
In respect of the current year	$ 57,175	$ 114,125
Adjustments for prior years	(5,259)	180
Deferred tax		
In respect of the current year	1,272	(11,705)
Income tax expense recognized in profit or loss	$ 53,188	$ 102,600

b. Income tax assessments

The Company's tax returns through 2024 have been assessed by the tax authorities. The Company includes Hong Kong branch's income in the calculation of its taxable income during tax declaration each year, and applied for tax refund after attestation by a local organization in Hong Kong recognized by the ROC. As of March 31, 2026, the Company applied for refund of tax through 2023, which was approved by the tax authorities. As of March 31, 2026, December 31, 2025 and March 31, 2025, tax refund receivables amounted to $22,925 thousand, $37,454 thousand and $47,676 thousand, respectively.

23. EARNINGS PER SHARE

	For the Three Months Ended March 31	
	2026	2025
Basic earnings per share	$ 1.60	$ 3.00
Diluted earnings per share	$ 1.60	$ 2.84

The weighted average number of shares outstanding used for the earnings per share computation was adjusted retroactively for the issuance of bonus shares on the record day of June 26, 2025. The basic and diluted earnings per share adjusted retrospectively for the three months ended March 31, 2025 were as follows:

	For the Three Months Ended March 31	
	Before Retrospective Adjustment	After Retrospective Adjustment
Basic earnings per share	$ 3.15	$ 3.00
Diluted earnings per share	$ 2.97	$ 2.84

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

Net Profit for the Year

	For the Three Months Ended March 31	
	2026	2025
Earnings used in the computation of basic earnings per share	$ 190,891	$ 335,077
Effect of potentially dilutive ordinary shares:		
Interest on convertible bonds (after tax)	-	3,234
Earnings used in the computation of diluted earnings per share	$ 190,891	$ 338,311

Weighted average number of ordinary shares outstanding (in thousands of shares):

	For the Three Months Ended March 31	
	2026	2025
Weighted average number of ordinary shares used in the computation of basic earnings per share	119,016	111,597
Effect of potentially dilutive ordinary shares:		
Convertible bonds	-	7,192
Compensation of employees	452	366
Weighted average number of ordinary shares used in the computation of diluted earnings per share	119,468	119,155

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

24. CASH FLOWS INFORMATION

Changes in liabilities arising from financing activities:

For the three months ended March 31, 2026

	January 1, 2026	Cash Flows	Non-cash Changes		March 31, 2026
			New Lease Addition	Others	
Short-term borrowings	$ 3,394,889	$ 553,097	$ -	$ -	$ 3,947,986
Long-term borrowings	12,845	6,998	-	-	19,843
Lease liabilities	74,287	(13,783)	3,967	2,293	66,764
	$ 3,482,021	$ 546,312	$ 3,967	$ 2,293	$ 4,034,593

For the three months ended March 31, 2025

	January 1, 2025	Cash Flows	Non-cash Changes		March 31, 2025
			New Lease Addition	Others	
Short-term borrowings	$ 2,626,439	$ 112,127	$ -	$ -	$ 2,738,566
Bonds payable	1,088,686	-	-	(945,209)	143,477
Lease liabilities	48,051	(13,496)	21,491	1,474	57,520
	$ 3,763,176	$ 98,631	$ 21,491	$ (943,735)	$ 2,939,563

25. FINANCIAL INSTRUMENTS

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

Management believes the carrying amounts of financial assets and financial liabilities not carried at fair values approximate their fair values.

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

1) Fair value hierarchy

March 31, 2026

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	$ 92,919	$ -	$ -	$ 92,919
Mutual funds	109,044	-	-	109,044
	$ 201,963	$ -	$ -	$ 201,963

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	$ 105,881	$ -	$ -	$ 105,881
Mutual funds	110,938	-	-	110,938
	$ 216,819	$ -	$ -	$ 216,819

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	$ 119,602	$ -	$ 21,465	$ 141,067
Mutual funds	6,900	-	-	6,900
Redemption rights and put options	-	-	15	15
	$ 126,502	$ -	$ 21,480	$ 147,982

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

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

	For the Three Months Ended March 31, 2025
Financial assets at FVTPL	
Balance on January 1, 2025	$ 35,162
Reclassifications	(869)
Recognized in profit or loss (included in other gains and losses)	(12,813)
Balance on March 31, 2025	$ 21,480

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

Financial Instrument	Valuation Technique and Inputs
Domestic emerging stock market investments	Market multiples approach: The fair value of the subject asset is evaluated using the trading prices of comparable industry peers in an active market, incorporating relevant market multiples and discount rates. A key unobservable input is the liquidity discount rate.
Redemption rights and put options	The binary tree convertible bond evaluation model is used for the evaluation of financial instruments, and the material unobservable inputs are the risk-free rate, stock price and volatility.

	March 31, 2025
Significant Unobservable	
Risk-free interest rate	1.4020%
Shares	157
Volatility	27.13%
Liquidity discount rate	16.31%

If all the other variables were held constant, the fair value would increase (decrease) as follows:

Significant Unobservable	March 31, 2025
Risk-free interest rate	
Rise 10bp	$ (10)
Fell 10bp	$ 10
Shares	
Rise 7%	$ 70
Fell 7%	$ (80)
Volatility	
Rise 1%	$ -
Fell 1%	$ (20)

(Continued)

Significant Unobservable	March 31, 2025
Liquidity discount rate	
Rise 1%	$ (42)
Fell 1%	$ 42

(Concluded)

c. Categories of financial instruments

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets			
Fair value through profit or loss (FVTPL)			
Mandatorily classified as at FVTPL	$ 201,963	$ 216,819	$ 147,982
Financial assets at amortized cost (1)	5,878,711	6,059,136	5,970,195
Financial liabilities			
Financial liabilities at amortized cost (2)	5,901,842	6,201,342	5,044,468

1) The balances include financial assets measured at amortized cost, which comprised cash and cash equivalents, notes receivable, trade receivables, trade receivables from related parties, other receivables, other receivables from related parties and part of other non-current assets.

2) The balances include financial liabilities measured at amortized cost, which comprised short-term loans, notes payable, trade payables, other payables, current portion of long-term borrowings, long-term borrowings, bonds payable and part of other non-current liabilities.

d. Financial risk management objectives and policies

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

The corporate treasury function reports quarterly to the Company's board of directors.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

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

a) Foreign currency risk

Several subsidiaries of the Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note 30.

Sensitivity analysis

The Group was mainly exposed to the USD and RMB.

The following table details the Group's sensitivity to a 5% increase and decrease in the New Taiwan dollar (the functional currency) against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates an increase (decrease) in pre-tax profit and other equity associated with the New Taiwan dollar strengthening 5% against the relevant currency. For a 5% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit and other equity and the balances below would be negative.

	USD Impact		**RMB Impact**	
	For the Three Months Ended March 31		**For the Three Month Ended March 31**	
	2026	**2025**	**2026**	**2025**
Profit or loss	$ 31,448	$ 21,156	$ (580)	$ (423)

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates.

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

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Fair value interest rate risk			
Financial assets	$ 524,853	$ 263,222	$ 142,782
Financial liabilities	3,947,986	3,394,889	2,738,566
Cash flow interest rate risk			
Financial assets	697,136	720,651	893,608
Financial liabilities	19,843	12,845	-

Sensitivity analysis

The sensitivity analyses were determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. The Group's floating-rate financial assets were demand deposits, which fluctuated moderately, and accordingly the Group was exposed to low interest rate risk. On the other hand, no floating-rate liabilities were held at the end of the reporting period, and no related sensitivity analysis was performed.

2) Credit risk

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

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by related departments such as executive vice president, internal auditors, and financial accounting.

The Group transacts with a large number of diverse customers from different industries and geographical locations; the Group performs ongoing credit evaluation on the financial condition of trade receivables and controlled the credit risk exposure.

The Group's concentration of credit risk accounted for 9%, 9% and 11% of total trade receivables as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively, which was attributable to the Group's specific customer.

3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group had available unutilized bank loan facilities set out in (b) below.

a) Liquidity and interest risk rate tables

The following tables detail the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

To the extent that interest flows are floating rate, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

March 31, 2026

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 794,318	$ 1,068,685	$ 71,010	$ -	$ -
Lease liabilities	4,076	10,956	26,523	27,275	-
Variable interest rate liabilities	42	86	3,303	17,462	-
Fixed interest rate liabilities	938,666	1,803,551	1,221,161	-	-
	$ 1,737,102	$ 2,883,278	$ 1,321,997	$ 44,737	$ -

December 31, 2025

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 1,062,217	$ 1,644,851	$ 86,538	$ -	$ -
Lease liabilities	6,618	7,050	34,613	28,397	46
Variable interest rate liabilities	12	23	106	13,089	-
Fixed interest rate liabilities	923,954	506,110	1,983,869	-	-
	$ 1,992,801	$ 2,158,034	$ 2,105,126	$ 41,486	$ 46

March 31, 2025

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 1,076,562	$ 1,137,232	$ 99,530	$ 901	$ -
Lease liabilities	3,451	6,537	29,619	19,740	-
Fixed interest rate liabilities	539,636	1,332,706	879,774	-	-
	$ 1,619,649	$ 2,476,475	$ 1,008,923	$ 20,641	$ -

b) Financing facilities

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank overdraft facilities			
Amount used	$ 1,882,857	$ 1,805,817	$ 1,640,149
Amount unused	2,587,049	2,801,528	2,474,138
	$ 4,469,906	$ 4,607,344	$ 4,114,287
Secured bank overdraft facilities			
Amount used	$ 2,084,972	$ 1,601,918	$ 1,098,417
Amount unused	3,110,836	2,172,732	1,276,160
	$ 5,195,808	$ 3,774,650	$ 2,374,577

e. Financial asset transfer information

During the three months ended March 31, 2026 and 2025, the Group's discounted notes receivable with an aggregate carrying amount of $840,035 thousand and $538,015 thousand were sold to a bank for cash proceeds of $835,529 thousand and $535,027 thousand, respectively. According to the contract, if the notes receivable are not paid at maturity, the bank has the right to request the Group to pay the unsettled balance, as the Group has not transferred the significant risks and rewards relating to these accounts receivable.

As of March 31, 2026, December 31, 2025 and March 31, 2025, the carrying amount of the notes receivable that have been transferred but have not been derecognized was $1,428,093 thousand, $1,286,289 thousand and $1,065,664 thousand, respectively, and the carrying amount of the related liabilities (refer to Note 14) was $1,424,442 thousand, $1,283,721 thousand and $1,063,007 thousand, respectively.

26. TRANSACTIONS WITH RELATED PARTIES

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

a. Related parties and their relationships with the Group

Related Party	Relationship with the Group
Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	Associate
Shenzhen Lianjie Industrial Co., Ltd.	Related party in substance

b. Operating revenue

Line Item	Related Party Name	For the Three Months Ended March 31 2026	For the Three Months Ended March 31 2025
Sales	Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	$ 77,085	$ 101,325
	Shenzhen Lianjie Industrial Co., Ltd.	36,710	29,911
		$ 113,795	$ 131,236

Transactions between the Group and the aforementioned related parties were conducted at transaction prices and payment terms comparable to those with unrelated parties.

c. Receivables from related parties

Line Item	Related Party Name	March 31, 2026	December 31, 2025	March 31, 2025
Trade receivables	Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	$ 139,977	$ 141,204	$ 116,033
	Shenzhen Lianjie Industrial Co., Ltd.	12,983	15,495	13,893
Other receivables	Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	-	-	6,641
		$ 152,960	$ 156,699	$ 136,567

d. Remuneration of key management personnel

	For the Three Months Ended March 31 2026	For the Three Months Ended March 31 2025
Salaries and short-term employee benefits	$ 25,202	$ 33,814
Post-employment benefits	431	401
	$ 25,633	$ 34,215

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

27. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	March 31, 2026	December 31, 2025	March 31, 2025
Land	$ 961,465	$ 961,465	$ 961,465
Buildings	841,389	841,757	759,232
Right-of-use assets - land	46,757	45,200	-
Notes receivable	1,428,093	1,286,289	1,065,664
Other financial assets	83,322	94,686	-
	$ 3,361,026	$ 3,229,397	$ 2,786,361

Land and buildings were recorded as property, plant and equipment; other financial assets were recorded under other current assets.

28. SIGNIFICANT EVENTS

To optimize regional market deployment, strengthen the efficiency of sales channels, and enhance industry competitiveness, the Company's board of directors resolved on May 6, 2026, to participate in the capital increase plan of its subsidiary in proportion to its existing 90% shareholding in order to meet the subsidiary's operational funding requirements. The Company subscribed to the capital increase in the amount of EUR $450 thousand, with the capital increase reference date set as May 20, 2026.

29. OTHER SIGNIFICANT EVENTS: NONE

30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

	March 31, 2026			December 31, 2025			March 31, 2025		
	Foreign Currency	Exchange Rate	New Taiwan Dollars	Foreign Currency	Exchange Rate	New Taiwan Dollars	Foreign Currency	Exchange Rate	New Taiwan Dollars
Financial assets									
Monetary items									
USD	$ 23,117	31.9950	$ 739,618	$ 16,947	31.4300	$ 532,631	$ 19,066	33.2050	$ 633,090
EUR	1,231	36.7100	45,187	1,692	36.9000	62,417	2,465	36.1300	89,042
RMB	2,410	4.6290	11,156	2,399	4.4960	10,787	3,244	4.5730	14,836
Non-monetary items									
Associates accounted for using the equity method									
RMB	9,466	4.6290	43,819	8,813	4.4960	39,622	6,952	4.5730	31,791
Financial liabilities									
Monetary items									
USD	3,459	31.9950	110,662	4,234	31.4300	133,059	6,324	33.2050	209,979
EUR	-	-	-	-	-	-	545	36.1300	19,687
RMB	4,914	4.6290	22,747	2,959	4.4960	13,303	5,095	4.5730	23,298

The Group is mainly exposed to the USD, EUR and RMB. The following information was aggregated by the functional currencies of the entities in the Group, and the exchange rates between the respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Three Months Ended March 31			
	2026		2025	
Foreign Currency	**Exchange Rate**	**Net Foreign Exchange Gain (Loss)**	**Exchange Rate**	**Net Foreign Exchange Gain (Loss)**
NTD	1 (NTD:NTD)	$ 79,210	1 (NTD:NTD)	$ 65,269
RMB	4.6290 (RMB:NTD)	(2)	4.5730 (RMB:NTD)	(105)
VND	0.0012 (VND:NTD)	(3,019)	0.0013 (VND:NTD)	1,402
HKD	4.0810 (HKD:NTD)	404	4.2680 (HKD:NTD)	84
IDR	0.0019 (IDR:NTD)	(1,071)	0.0020 (IDR:NTD)	311
EUR	36.7100 (EUR:NTD)	(56)		-
		$ 74,836		$ 66,961

31. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

1) Financing provided to others. (Table 1)

2) Endorsements/guarantees provided. (Table 2)

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

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

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

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

7) Information on investees. (Table 7)

b. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 8)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (Note 26, Tables 1, 2 and 9)

   a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.

   b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

   c) The amount of property transactions and the amount of the resultant gains or losses.

   d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

   e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.

   f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

32. SEGMENT INFORMATION

The Group makes operating decisions based on the information of the Group as a whole; thus, the Group is treated as a single operating segment, and there is no need to disclose the financial information of operating segments.

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit
													Item	Value		
1	Evervalue Investments Limited	Hulane Electronics (Vietnam) Limited	Other receivables from related parties	Yes	$ 63,990 (US$ 2,000)	$ 63,990 (US$ 2,000)	$ 63,990 (US$ 2,000)	5.5%	Short-term financing	$ -	Operations	$ -	None	$ -	$ 1,808,734 (Note 2)	$ 1,808,734 (Note 2)

Note 1: a. Issuer is numbered 0.

b. The investee companies are numbered starting with 1.

Note 2: According to the operating procedures of Evervalue Investments Limited's financing provided to others, the limitations on borrowers and total amount of financing are as follows:

a. The total amount of Evervalue Investments Limited's financing to others does not exceed 40% of net value of Evervalue Investments Limited.

b. For those companies that have business transactions with Evervalue Investments Limited, the total amount of financing provided does not exceed 20% of net value of Evervalue Investments Limited, and the financing amount of individual borrower does not exceed the amount of transactions with Evervalue Investments Limited in the previous 12 months.

c. For those companies that are necessary for short-term financing, the total amount of financing provided does not exceed 40% of net value of Evervalue Investments Limited, including the subsidiaries of which more than 90% of its shares is held by Evervalue Investments Limited. The rest is limited by 10% of current net value of Evervalue Investments Limited.

d. For foreign companies of which 100% of its shares is directly or indirectly held by Hu Lane Associate Inc., the total amount of financing provided should not exceed 40% of the net value of Evervalue Investments Limited, and the financing amount of individual borrowers should not exceed 40% of the net value of Evervalue Investments Limited.

TABLE 2

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Amount Provided to Each Counterparty	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Nature of Relationship										
0	Hu Lane Associate Inc. (Note 1)	Dongguan Hulane Puguang Trading Co., Ltd.	Investee company of which more than 50% of its ordinary shares is held by the parent company and its subsidiaries	$ 936,565	$ 255,960 (US$ 8,000)	$ 255,960 (US$ 8,000)	$ 138,870	$ -	2.73	$ 3,746,258	Y	N	Y
		Hulane Electronics (Vietnam) Limited	Subsidiary of which more than 50% of its shares is held by the investor	1,873,129	150,000 (VND 125,000,000)	-	-	-	-	3,746,258	Y	N	N
		PT. Hulane Tech Manufacturing	Subsidiary of which more than 50% of its shares is held by the investor	936,565	127,980 (US$ 4,000)	127,980 (US$ 4,000)	57,591	-	1.37	3,746,258	Y	N	N
1	Dongguan Hulane Electronic Technology Co., Ltd. (Note 2)	Dongguan Hulane Puguang Trading Co., Ltd.	Investee company of which up to 100% of its ordinary shares is held by the Hu Lane Associate Inc. and its subsidiaries	825,727	624,915 (RMB 135,000)	624,915 (RMB 135,000)	416,610	-	26.49	1,179,610	N	N	Y

Note 1: The amount of endorsements or guarantee of Hu Lane Associate Inc. does not exceed 20% of current net value on the financial statements to a single company, excluding the subsidiaries of which more than 90% of its shares is held by Hu Lane Associate Inc. The rest is limited by 10% of current net value of Hu Lane Associate Inc.

Note 2: The amount of endorsements or guarantee of Hulane Electronics (Dongguan) does not exceed 35% of current net value on the financial statements to a single company, excluding the subsidiaries of which more than 90% of its shares is held by Hulane Electronics (Dongguan). The rest is limited by 10% of current net value of Hulane Electronics (Dongguan).

Note 3: The cumulative amount of Hu Lane Associate Inc.'s endorsements does not exceed 40% of current net value on the financial statements.

Note 4: The cumulative amount of Hulane Electronics (Dongguan)'s endorsements does not exceed 50% of current net value on the financial statements.

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2026				Note
				Number of Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Hu Lane Associate Inc.	Domestic listed shares							
	Chia Chang Co., Limited	-	Financial assets at fair value through profit or loss - current	10,451	$ 391	-	$ 391	
	HD Renewable Energy Co., Ltd.	-	Financial assets at fair value through profit or loss - current	678,873	55,871	-	55,871	
	Domestic emerging market shares							
	RAC Electric Vehicles Inc.	-	Financial assets at fair value through profit or loss - current	1,207,000	36,657	-	36,657	
	Mutual funds							
	AB FCP I-American Income Portfolio Class EA Shares USD	-	Financial assets at fair value through profit or loss - current	143,816	46,520	-	46,520	
	PIMCO Funds: Global Investors Series plc Diversified Income Fund BM Retail Class/Decumulation	-	Financial assets at fair value through profit or loss - current	108,108	31,234	-	31,234	
	Fidelity Funds - Global Income Fund B-MCDIST(G)-USD	-	Financial assets at fair value through profit or loss - current	103,552	31,290	-	31,290	

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

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

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Hu Lane Associate Inc.	Dongguan Hulane Puguang Trading Co., Ltd.	Sub-subsidiary	Sale	$ (353,867)	(49)	365 days	Not significantly different from general customers	Credit conditions adjusted based on China’s trading practices	$ 1,956,792	80	
Dongguan Hulane Electronics Technology Co., Ltd.	Dongguan Hulane Puguang Trading Co., Ltd.	Subsidiary	Sale	(555,624)	(91)	270 days	Not significantly different from general customers	Credit conditions adjusted based on China’s trading practices	1,369,067	89	
Hulane Electronics (Nanjing) Limited	Dongguan Hulane Puguang Trading Co., Ltd.	Subsidiary	Sale	(418,423)	(84)	270 days	Not significantly different from general customers	Credit conditions adjusted based on China’s trading practices	443,012	81	
Jiaxing Shangho Electrics Technology Co., Ltd.	Dongguan Hulane Puguang Trading Co., Ltd	Subsidiary	Sale	(164,243)	(71)	90 days	Not significantly different from general customers	Credit conditions adjusted based on China’s trading practices	43,136	22	

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Hu Lane Associate Inc.	Dongguan Hulane Puguang Trading Co., Ltd.	Sub-subsidiary	$ 1,956,792	0.72	$ -	-	$ 166,126	$ -
Dongguan Hulane Electronics Technology Co., Ltd.	Dongguan Hulane Puguang Trading Co., Ltd.	Subsidiary	1,369,067	1.50	-	-	32,403	-
Hulane Electronics (Nanjing) Limited	Dongguan Hulane Puguang Trading Co., Ltd.	Subsidiary	443,012	2.86	-	-	92,580	-
Dongguan Hulane Puguang Trading Co., Ltd.	Hulane Electronic (Vietnam) Co., Ltd.	Subsidiary	164,313	0.66	-	-	12,403	-
Hulane Electronic (Vietnam) Co., Ltd.	Dongguan Hulane Puguang Trading Co., Ltd.	Subsidiary	145,001	1.48	-	-	86,583	-

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Total Sales or Assets
0	Hu Lane Associate Inc.	Hulane Electronic (Nanjing) Co., Ltd.	a.	Other receivables	$ 86,571	Regular settlement or debit-credit offset	1
		Hulane Electronic (Nanjing) Co., Ltd.	a.	Other revenue	13,230	Based on general terms	1
		Dongguan Hulane Electronic Technology Co., Ltd.	a.	Other receivables	89,183	Regular settlement or debit-credit offset	1
		Dongguan Hulane Electronic Technology Co., Ltd.	a.	Other revenue	15,346	Based on general terms	1
		Dongguan Hulane Puguang Trading Co., Ltd.	a.	Trade receivables from related parties	1,956,792	Regular settlement or debit-credit offset	12
		Dongguan Hulane Puguang Trading Co., Ltd.	a.	Other receivables	28,629	Regular settlement or debit-credit offset	-
		Dongguan Hulane Puguang Trading Co., Ltd.	a.	Sales	353,867	Based on general terms	17
		Hulane Electronic (Vietnam) Co., Ltd.	a.	Trade receivables from related parties	26,950	Regular settlement or debit-credit offset	-
		Hulane Electronic (Vietnam) Co., Ltd.	a.	Other receivables	57,564	Regular settlement or debit-credit offset	-
		PT. Hulane Tech Manufacturing	a.	Trade receivables from related parties	23,022	Regular settlement or debit-credit offset	-
		PT. Hulane Tech Manufacturing	a.	Other receivables	23,666	Regular settlement or debit-credit offset	-
		HuLane Associate Inc. Europe S.r.l.	a.	Trade receivables from related parties	114,614	Regular settlement or debit-credit offset	1
		HuLane Associate Inc. Europe S.r.l.	a.	Sales	32,313	Based on general terms	2
1	Hulane Electronic (Nanjing) Co., Ltd.	Hu Lane Associate Inc.	b.	Trade receivables from related parties	50,767	Regular settlement or debit-credit offset	-
		Hu Lane Associate Inc.	b.	Sales	49,294	Based on general terms	2
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Trade receivables from related parties	443,012	Regular settlement or debit-credit offset	3
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Sales	418,423	Based on general terms	20
		Jiaxing Shangho Electrics Technology Co., Ltd.	c.	Other receivables	21,946	Regular settlement or debit-credit offset	-
2	Dongguan Hulane Electronic Technology Co., Ltd.	Hu Lane Associate Inc.	b.	Trade receivables from related parties	25,424	Regular settlement or debit-credit offset	-
		Hu Lane Associate Inc.	b.	Sales	25,059	Based on general terms	1
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Trade receivables from related parties	1,369,067	Regular settlement or debit-credit offset	9
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Other receivables	12,774	Regular settlement or debit-credit offset	-
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Sales	555,624	Based on general terms	26
		Fortune Master Development Limited	c.	Trade receivables from related parties	19,335	Regular settlement or debit-credit offset	-
		Fortune Master Development Limited	c.	Sales	19,058	Based on general terms	1
3	Dongguan Hulane Puguang Trading Co., Ltd.	Hu Lane Associate Inc.	b.	Trade receivables from related parties	35,081	Regular settlement or debit-credit offset	-
		Hu Lane Associate Inc.	b.	Sales	34,043	Based on general terms	2
		Hulane Electronic (Nanjing) Co., Ltd.	c.	Trade receivables from related parties	17,960	Regular settlement or debit-credit offset	-
		Hulane Electronic (Nanjing) Co., Ltd.	c.	Sales	15,276	Based on general terms	1
		Dongguan Hulane Electronic Technology Co., Ltd.	c.	Trade receivables from related parties	62,520	Regular settlement or debit-credit offset	-
		Dongguan Hulane Electronic Technology Co., Ltd.	c.	Sales	33,826	Based on general terms	2
		Hulane Electronic (Vietnam) Co., Ltd.	c.	Trade receivables from related parties	164,313	Regular settlement or debit-credit offset	1
		Hulane Electronic (Vietnam) Co., Ltd.	c.	Sales	24,555	Based on general terms	1

(Continued)

No. (Note 1)	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Total Sales or Assets
		PT. Hulane Tech Manufacturing	c.	Trade receivables from related parties	$ 12,913	Regular settlement or debit-credit offset	-
		PT. Hulane Tech Manufacturing	c.	Sales	12,581	Based on general terms	1
4	Hulane Electronic (Vietnam) Co., Ltd.	Hu Lane Associate Inc.	b.	Trade receivables from related parties	58,514	Regular settlement or debit-credit offset	-
		Hu Lane Associate Inc.	b.	Sales	56,977	Based on general terms	3
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Trade receivables from related parties	145,001	Regular settlement or debit-credit offset	1
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Sales	54,563	Based on general terms	3
5	Evervalue Investments Limited	Hulane Electronic (Vietnam) Co., Ltd.	c.	Other receivables	67,114	Regular settlement or debit-credit offset	-
6	PT. Hulane Tech Manufacturing	Hu Lane Associate Inc.	b.	Trade receivables from related parties	16,693	Regular settlement or debit-credit offset	-
		Hu Lane Associate Inc.	b.	Sales	16,650	Based on general terms	1
7	Jiaxing Shangho Electrics Technology Co., Ltd.	Dongguan Hulane Puguang Trading Co., Ltd.	c.	Trade receivables from related parties	43,136	Regular settlement or debit-credit offset	-
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Sales	164,243	Based on general terms	8
8	HuLane Associate Inc. Europe S.r.l.	Hu Lane Associate Inc.	b.	Other receivables	12,272	Regular settlement or debit-credit offset	-

Note 1: The No column is denoted as follows:

a. The parent company is numbered 0.
b. The subsidiary companies are numbered starting from 1.

Note 2: The relationship column is denoted as follows:

a. Parent company to subsidiary.
b. Subsidiary to parent company.
c. Subsidiary to subsidiary.

Note 3: The ratio of transaction amount to consolidated total revenue or total assets is calculated as the ending balance to consolidated total assets for asset and liability accounts and as the cumulative amount to consolidated total revenue for profit and loss accounts.

Note 4: A transaction of NT$10 million or more.

(Concluded)

TABLE 7

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2026			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2026	December 31, 2025	Number of Shares	%	Carrying Amount			
Hu Lane Associate Inc.	Evervalue Investments Limited	Offshore Chambers, P.O. Box 217, Apia, Samoa	Investment	$ 459,313	$ 467,557	15,220	100.00	$ 4,322,783	$ 41,063	$ 41,063	
	Eagle Good Limited	〃	Investment	225,132	225,132	10,680	100.00	539,734	16,667	16,667	
	Hulane Electronics (Vietnam) Limited	Vietnam	Manufacturing	182,033	182,033	6,300	100.00	369,910	(11,181)	(11,181)	
	PT Hulane Tech Manufacturing	Indonesia	Manufacturing	267,229	15,472	5,474	84.22	285,683	12,209	5,221	
	HuLane Associate Inc. Europe S.r.1.	Italy	Manufacturing	14,689	14,689	500	90.00	8,097	(757)	(681)	
Evervalue Investments Limited	Fortune Master Development Limited	Hong Kong	Investment	277,993	277,993	9,400	100.00	2,480,062	61,923	61,923	
	PT Hulane Tech Manufacturing	Indonesia	Manufacturing	-	143,164	-	-	-	12,209	5,061	Note 10

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2026	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2026	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2025	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outward	Inward						
Hulane Electronics (Nanjing) Limited	Manufacture and sales of terminals, bales of wire, connectors and molds.	US$ 8,500	Note 1	$ 275,946	$ -	$ -	$ 275,946	$ (20,026)	100.00	$ (20,026)	$ 1,666,830	$ 416,083
Dongguan Hulane Electronics Technology Co., Ltd.	Manufacture and sales of terminals, bales of wire, connectors and molds.	US$ 8,000	Note 1	236,287	-	-	236,287	106,756	100.00	106,756	2,359,219	293,312
Dongguan Hulane Puguang Trading Co., Ltd.	Sales of terminals, bales of wire, connectors and molds.	US$ 1,600	Note 1	41,706	-	-	41,706	(46,788)	100.00	(46,788)	76,213	-
Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	Sales of terminals, bales of wire, connectors and molds.	US$ 1,500	Note 2	16,608	-	-	16,608	7,455	40.00	2,982	43,819	8,292
Jiaxing Shangho Electrics Technology Co., Ltd.	Manufacture and sales of terminals, bales of wire, connectors and molds.	US$ 10,500	Note 3	133,740	-	-	133,740	16,667	100.00	16,667	539,714	-

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2026	Investment Amounts Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
US$26,090 thousand (NT$704,287 thousand)	US$26,090 thousand	$9,420,904 thousand × 60% = $5,652,542 thousand

Note 1: Investment through companies incorporated in a third region.

Note 2: Direct investment by the Company.

Note 3: The acquisition through merger of Eagle Good Limited.

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

Investee Company	Transaction Type	Amount	Price	Payment Terms	Comparison with Normal Transaction	Ending Balance	%	Unrealized (Gain) Loss
Hulane Electronics (Nanjing) Limited	Sales	$ 479,929	Not significantly different from general customers	90-270 days	Not significantly different from general customers	$ 513,437	93	Note 2
	Purchase	19,261	Not significantly different from general customers	90 days	Credit conditions adjusted based on China's trading practices	(27,829)	(9)	-
Dongguan Hulane Puguang Trading Co., Ltd.	Sales	123,474	Not significantly different from general customers	90-180 days	Not significantly different from general customers	296,659	7	Note 2
	Purchase	1,564,645	Not significantly different from general customers	180-365 days	Credit conditions adjusted based on China's trading practices	(4,019,051)	(99)	-
Dongguan Hulane Electronics Technology Co., Ltd.	Sales	599,741	Not significantly different from general customers	90-270 days	Not significantly different from general customers	1,413,983	91	Note 2
	Purchase	38,310	Not significantly different from general customers	90-365 days	Credit conditions adjusted based on China's trading practices	(71,622)	(13)	-
Jiaxing Shangho Electrics Technology Co., Ltd.	Sales	180,832	Not significantly different from general customers	270 days	Not significantly different from general customers	63,938	32	-
	Purchase	8,271	Not significantly different from general customers	90 days	Credit conditions adjusted based on China's trading practices	(14,562)	(7)	-
Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	Purchase	77,085	Not significantly different from general customers	270 days	Credit conditions adjusted based on China's trading practices	(139,990)	(92)	-

Note 1: All unrealized gains and losses with investee companies in mainland China were eliminated in the consolidated financial statements.

Note 2: Hulane Electronics (Nanjing) Limited had an unrealized balance of $41,719 thousand through March 31, 2026; the unrealized balance of Dongguan Hulane Puguang Trading Co., Ltd. is $193,796 thousand; the unrealized balance of Dongguan Hulane Electronics Technology Co., Ltd. is $97,217 thousand.