SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD.

AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 AND 2025

AND

INDEPENDENT AUDITORS' REVIEW REPORT

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INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Sunonwealth Electric Machine Industry Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Sunonwealth Electric Machine Industry Co., Ltd. and subsidiaries (the "Group") as of September 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2026 and 2025 and the consolidated statements of changes in equity and cash flows for the nine months ended September 30, 2026 and 2025, and notes to the consolidated financial statements (including a summary of significant accounting policies). 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 the International Accounting Standards 34, "Interim Financial Reporting" as endorsed and became effective by Financial Supervisory Commission (FSC) 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 disclosed in basis for qualified conclusion, we conducted our reviews in accordance with Statement of Review Standards No. 2410, "Review of Financial Information Performed by the Independent Review of the Entity" of the Republic of China. 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 conducted in accordance with auditing standards in the Republic of China 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.

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Basis for Qualified Conclusion

As disclosed in Note 4(3), the financial statements of non-significant subsidiaries and related information declared in Note 13 were consolidated based on their unreviewed financial statements as of and for the same periods. These subsidiaries' total assets amounted to $3,072,638 thousand and $2,020,114 thousand, representing 14.61% and 13.11% of the consolidated assets, and their total liabilities amounted to $985,639 thousand and $641,151 thousand, representing 10.26% and 8.77% of the consolidated liabilities as of September 30, 2026 and 2025, respectively; as well as their total comprehensive income amounted to ($4,131) thousand, $36,929 thousand, ($78,021) thousand and ($94,445) thousand, representing (0.46%), 4.44%, (3.34%) and (7.41%) of the consolidated comprehensive income for the three months and nine months ended September 30, 2026 and 2025, respectively. In addition, as described in Note 6(9) to the consolidated financial statements, the financial statements of investments accounted for using equity method were not reviewed by independent accountants. The carrying values of these investments amounted to $85,552 thousand and $11,296 thousand, representing 0.41% and 0.07% of the consolidated assets as of September 30, 2026 and 2025, and share of profit (loss) of these associates accounted for using equity method amounted to ($4,023) thousand, ($858) thousand, ($9,033) thousand and ($3,560) thousand, representing (0.35%), (0.10%), (0.31%) and (0.18%) of the consolidated income before income tax for the three months and nine months ended September 30, 2026 and 2025, respectively. In addition, share of other comprehensive income of these associates accounted for using equity method amounted to both $0 thousand, representing both 0% of total consolidated comprehensive income for the nine months ended September 30, 2026 and 2025. These amounts were recognized solely based on these investees' unreviewed financial statements for the same periods. The information related to above subsidiaries and investees accounted for under the equity method disclosed in Note 13 was also not reviewed by independent accountants.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain subsidiaries described in basis for qualified conclusion paragraph and related information declared in Note 13 been reviewed by independent auditors, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2026 and 2025, its consolidated financial performance for the three months and nine months ended September 30, 2026 and 2025 and its consolidated cash flows for the nine months ended September 30, 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" as endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the

Republic of China.
The engagement partners on the reviews resulting in this independent auditors' review report are Kuo Ming Li and Ling Wen Huang.

Crowe (TW) CPAs

Crowe (TW) CPAs
Kaohsiung, Taiwan
Republic of China
November 6, 2026

Notice to Readers

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

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

SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

		September 30, 2026		December 31, 2025		September 30, 2025	
Assets	Note	Amount	%	Amount	%	Amount	%
CURRENT ASSETS							
Cash and cash equivalents	6(1)	$5,327,639	25.3	$5,256,400	30.1	$3,901,280	25.3
Current financial assets at fair value through profit or loss - current	6(2)	464,909	2.2	-	-	-	-
Notes receivable, net	6(3)	78,028	0.4	62,103	0.4	24,250	0.2
Accounts receivable, net	6(4)	6,160,039	29.3	5,155,351	29.6	5,252,939	34.0
Other receivables		167,117	0.8	195,051	1.1	158,240	1.0
Current tax assets		102	-	387	-	318	-
Inventories	6(5)	3,515,473	16.7	2,423,976	13.9	2,199,327	14.3
Prepayments		121,449	0.6	100,030	0.6	116,896	0.8
Other financial assets - current	6(6)	47,290	0.2	-	-	-	-
Total current assets		15,882,046	75.5	13,193,298	75.7	11,653,250	75.6
NONCURRENT ASSETS							
Current financial assets at fair value through profit or loss - noncurrent	6(7)	-	-	-	-	171,253	1.1
Financial assets at fair value through other comprehensive income or loss - noncurrent	6(8)	24,834	0.1	30,095	0.2	30,359	0.2
Investments accounted for using equity method	6(9)	85,552	0.4	42,561	0.2	11,296	0.1
Property, plant and equipment	6(10)	3,857,937	18.4	3,053,538	17.5	2,608,355	17.0
Right-of-use assets	6(11)	793,215	3.8	737,278	4.2	662,329	4.3
Investment properties, net	6(12)	83,729	0.4	84,004	0.5	84,096	0.5
Intangible assets	6(13)	66,457	0.3	62,676	0.4	53,689	0.3
Deferred income tax assets	6(31)	136,482	0.6	131,059	0.8	86,142	0.6
Refundable deposits		39,961	0.2	31,039	0.2	34,450	0.2
Other noncurrent assets - others		61,898	0.3	60,980	0.3	18,962	0.1
Total noncurrent assets		5,150,065	24.5	4,233,230	24.3	3,760,931	24.4
TOTAL ASSETS		$21,032,111	100.0	$17,426,528	100.0	$15,414,181	100.0
Liabilities and Equity							
CURRENT LIABILITIES							
Short-term loans	6(14)	$833,925	4.0	$469,518	2.7	$364,200	2.4
Contract liabilities - current	6(25)	196,194	0.9	164,903	0.9	113,589	0.7
Notes payables		41,344	0.2	40,123	0.2	39,467	0.3
Accounts payable	7	5,708,326	27.1	4,530,263	26.1	4,319,527	28.0
Other payables	6(15)、7	1,451,052	6.9	1,453,969	8.3	1,186,107	7.7
Current tax liabilities		383,115	1.8	263,982	1.5	131,334	0.9
Provisions - current	6(16)	77,823	0.4	68,346	0.4	66,553	0.4
Lease liabilities - current	6(11)	97,786	0.5	81,393	0.5	82,130	0.5
Advance receipts		-	-	-	-	2	-
Current portion of long-term loans	6(17)	25,480	0.1	116,534	0.7	30,005	0.2
Total current liabilities		8,815,045	41.9	7,189,031	41.3	6,332,914	41.1

Liabilities and Equity	Note	September 30, 2026 Amount	%	December 31, 2025 Amount	%	September 30, 2025 Amount	%
NONCURRENT LIABILITIES							
Long-term loans	6(17)	-	-	612,500	3.4	386,000	2.5
Deferred income tax liabilities	6(31)	471,526	2.3	464,049	2.7	385,259	2.5
Lease liabilities - noncurrent	6(11)	311,493	1.5	259,304	1.5	189,851	1.2
Net defined benefit liabilities - noncurrent	6(18)	9,271	-	13,679	0.1	13,212	0.1
Guarantee deposits		898	-	878	-	1,263	-
Total noncurrent liabilities		793,188	3.8	1,350,410	7.7	975,585	6.3
Total Liabilities		$9,608,233	45.7	$8,539,441	49.0	$7,308,499	47.4
EQUITY							
Share capital	6(19)						
Ordinary shares		$2,869,437	13.6	2,734,437	15.7	$2,734,437	17.7
Capital surplus	6(20)	3,082,282	14.7	1,518,788	8.7	1,518,788	9.9
Retained earnings	6(22)						
Legal reserve		1,495,051	7.1	1,278,634	7.3	1,278,634	8.3
Special reserve		244,321	1.2	136,662	0.8	136,662	0.9
Unappropriated earnings		3,955,490	18.8	3,540,830	20.3	2,917,235	18.9
Other equity	6(23)	(144,760)	(0.7)	(244,321)	(1.4)	(402,131)	(2.6)
Treasury shares	6(24)	(77,943)	(0.4)	(77,943)	(0.4)	(77,943)	(0.5)
Total equity attributable to owners of the parent		11,423,878	54.3	8,887,087	51.0	8,105,682	52.6
NON-CONTROLLING INTERESTS		-	-	-	-	-	-
Total equity		11,423,878	54.3	8,887,087	51.0	8,105,682	52.6
TOTAL LIABILITIES AND EQUITY		$21,032,111	100.0	$17,426,528	100.0	$15,414,181	100.0

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

SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		Three Months Ended September 30				Nine Months Ended September 30			
		2026		2025		2026		2025	
	Note	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUES	6(25)	$6,142,510	100.0	$4,934,408	100.0	$16,580,627	100.0	$13,759,838	100.0
OPERATING COSTS	6(5)	(4,134,409)	(67.3)	(3,388,336)	(68.6)	(11,289,773)	(68.1)	(9,572,308)	(69.6)
GROSS PROFIT		2,008,101	32.7	1,546,072	31.4	5,290,854	31.9	4,187,530	30.4
OPERATING EXPENSES									
Sales and marketing		(260,053)	(4.2)	(285,436)	(5.9)	(852,706)	(5.1)	(819,514)	(6.0)
General and administrative		(258,719)	(4.2)	(208,567)	(4.2)	(695,602)	(4.2)	(580,042)	(4.2)
Research and development		(356,139)	(5.9)	(281,399)	(5.7)	(989,540)	(6.0)	(787,409)	(5.7)
Expected credit gain (loss)	6(4)	(806)	-	(1,973)	-	3,808	-	(1,393)	-
Total operating expenses		(875,717)	(14.3)	(777,375)	(15.8)	(2,534,040)	(15.3)	(2,188,358)	(15.9)
INCOME FROM OPERATIONS		1,132,384	18.4	768,697	15.6	2,756,814	16.6	1,999,172	14.5
NON-OPERATING INCOME AND EXPENSES									
Interest income	6(27)	35,779	0.6	22,364	0.5	93,784	0.6	90,360	0.7
Other income	6(28)	50,355	0.8	49,888	1.0	165,118	1.0	145,368	1.0
Other gains and losses	6(29)	(49,359)	(0.8)	67,758	1.3	(108,883)	(0.7)	(203,963)	(1.5)
Finance costs	6(30)	(8,601)	(0.1)	(9,410)	(0.2)	(24,031)	(0.1)	(31,833)	(0.2)
Share of gain (loss) of associates and joint ventures accounted for using equity method	6(9)	(4,023)	(0.1)	(858)	-	(9,033)	(0.1)	(3,560)	-
Total non-operating income and expenses		24,151	0.4	129,742	2.6	116,955	0.7	(3,628)	-
INCOME BEFORE INCOME TAX		1,156,535	18.8	898,439	18.2	2,873,769	17.3	1,995,544	14.5
INCOME TAX EXPENSE	6(31)	(257,970)	(4.2)	(204,138)	(4.1)	(636,065)	(3.8)	(454,970)	(3.3)
NET INCOME		898,565	14.6	694,301	14.1	2,237,704	13.5	1,540,574	11.2
OTHER COMPREHENSIVE INCOME (LOSS)	6(32)								
Items that will not be reclassified subsequently to profit or loss:									
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income		(1,721)	-	947	-	(5,390)	-	(400)	-
Items that may be reclassified subsequently to profit or loss:									
Exchange differences on translation of foreign operations		5,472	-	169,915	3.5	131,188	0.8	(331,336)	(2.4)
Income tax (expense) benefit related to items that may be reclassified subsequently to profit or loss		(1,094)	-	(33,983)	(0.7)	(26,237)	(0.2)	66,267	0.5
Total other comprehensive income (loss) , net of income tax		2,657	-	136,879	2.8	99,561	0.6	(265,469)	(1.9)
TOTAL COMPREHENSIVE INCOME		$901,222	14.6	$831,180	16.9	$2,337,265	14.1	$1,275,105	9.3
NET INCOME ATTRIBUTABLE TO:									
Owners of the parent		$898,565	14.6	$694,301	14.1	$2,237,704	13.5	$1,540,574	11.2
Non-controlling interests		-	-	-	-	-	-	-	-
Total		$898,565	14.6	$694,301	14.1	$2,237,704	13.5	$1,540,574	11.2
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:									
Owners of the parent		$901,222	14.6	$831,180	16.9	$2,337,265	14.1	$1,275,105	9.3
Non-controlling interests		-	-	-	-	-	-	-	-
Total		$901,222	14.6	$831,180	16.9	$2,337,265	14.1	$1,275,105	9.3
EARNINGS PER SHARE									
Basic	6(33)	$3.14		$2.55		$7.93		$5.65	
Diluted	6(33)	$3.14		$2.55		$7.91		$5.64	

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

SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Shareholders of the Parent										
						Others Equity					
			Retained Earnings			Exchange Differences on Translating foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive income		Total Equity Attributable to Shareholders of the Parent	Non-controlling Interests	Total Equity
	Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings			Treasury shares			
BALANCE AT JANUARY 1, 2025	$2,734,437	$1,518,788	$1,129,127	$300,185	$2,374,387	($145,931)	$9,269	$ -	$7,920,262	$ -	$7,920,262
Appropriations and distributions of prior year' s earnings:											
Legal reserve	-	-	149,507	-	(149,507)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(1,011,742)	-	-	-	(1,011,742)	-	(1,011,742)
Special reserve	-	-	-	(163,523)	163,523	-	-	-	-	-	-
Net income for the nine months ended September 30, 2025	-	-	-	-	1,540,574	-	-	-	1,540,574	-	1,540,574
Other comprehensive income (loss) for the nine months ended September 30, 2025, net of income tax	-	-	-	-	-	(265,069)	(400)	-	(265,469)	-	(265,469)
Total comprehensive income for the nine months ended September 30, 2025, net of income tax	-	-	-	-	1,540,574	(265,069)	(400)	-	1,275,105	-	1,275,105
Repurchase cost of treasury shares	-	-	-	-	-	-	-	(77,943)	(77,943)	-	(77,943)
BALANCE AT SEPTEMBER 30, 2025	$2,734,437	$1,518,788	$1,278,634	$136,662	$2,917,235	($411,000)	$8,869	($77,943)	$8,105,682	$ -	$8,105,682
BALANCE AT JANUARY 1, 2026	$2,734,437	$1,518,788	$1,278,634	$136,662	$3,540,830	($252,832)	$8,511	($77,943)	$8,887,087	$ -	$8,887,087
Appropriations and distributions of prior years' earnings:											
Legal reserve	-	-	216,417	-	(216,417)	-	-	-	-	-	-
Special reserve	-	-	-	107,659	(107,659)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(1,498,968)	-	-	-	(1,498,968)	-	(1,498,968)
Changes in Equity of Associates and Joint Ventures Accounted for Using the Equity Method	-	104	-	-	-	-	-	-	104	-	104
Net income for the nine months ended September 30, 2026	-	-	-	-	2,237,704	-	-	-	2,237,704	-	2,237,704
Other comprehensive income (loss) for the nine months ended September 30, 2026, net of income tax	-	-	-	-	-	104,951	(5,390)	-	99,561	-	99,561
Total comprehensive income for the nine months ended September 30, 2026, net of income tax	-	-	-	-	2,237,704	104,951	(5,390)	-	2,337,265	-	2,337,265
Cash capital increase	135,000	1,552,500	-	-	-	-	-	-	1,687,500	-	1,687,500
Share-based Payment Transactions	-	10,890	-	-	-	-	-	-	10,890	-	10,890
BALANCE AT SEPTEMBER 30, 2026	$2,869,437	$3,082,282	$1,495,051	$244,321	$3,955,490	($147,881)	$3,121	($77,943)	$11,423,878	$ -	$11,423,878

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

SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	Nine Months Ended September 30	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$2,873,769	$1,995,544
Adjustments :		
Adjustments to reconcile profit (loss)		
Depreciation	425,106	339,507
Amortization	88,638	60,846
Expected credit loss (gain)	(3,808)	1,393
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	(14)	1,917
Interest expense	24,031	31,833
Interest income	(93,784)	(90,360)
Dividend income	(217)	(217)
Share-based payment expenses	10,890	-
Share of loss (profit) of associates and joint ventures accounted for using equity method	9,033	3,560
Loss (gain) on disposal and retirement of property, plant and equipment	1,598	1,843
Transfer of property, plant and equipment to expenses	6,585	2,512
Total adjustments to reconcile profit (loss)	468,058	352,834
Net changes in operating assets and liabilities		
Decrease (increase) in financial assets at fair value through profit or loss value	($455,509)	$ -
Decerase (increase) in notes receivable	(15,925)	(18,501)
Decrease (increase) in accounts receivable	(1,001,070)	(1,157,089)
Decrease (increase) in other receivables	32,094	9,171
Decrease (increase) in inventories	(1,094,770)	(13,464)
Decrease (increase) in prepayments	(53,363)	(65,377)
Decrease (increase) in other financial assets	(47,290)	228,041
Total changes in operating assets	(2,635,833)	(1,017,219)
Net changes in operating liabilities		
Increase (decrease) in contract liabilities	31,291	4,285
Increase (decrease) in notes payable	1,221	11,372
Increase (decrease) in accounts payable	1,178,063	884,755
Increase (decrease) in other payables	(7,043)	57,025
Increase (decrease) in provisions	7,184	6,904
Increase (decrease) in advance receipts		2
Increase (decrease) in net defined benefit liabilities	(4,408)	(4,936)
Total changes in operating liabilities	1,206,308	959,407
Total net changes in operating assets and liabilities	(1,429,525)	(57,812)
Total adjustments	(961,467)	295,022

	Nine Months Ended September 30	
	2026	2025
Cash generated from (used in) operations	$1,912,302	$2,290,566
Interest received	89,624	104,168
Dividends received	217	217
Interest paid	(22,138)	(33,924)
Income tax paid	(548,070)	(395,517)
Net cash generated from (used in) operating activities	1,431,935	1,965,510
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments accounted for using equity method	(49,277)	-
Proceeds from capital reduction of investments accounted for using equity method	-	1,802
Acquisition of property, plant and equipment	(1,079,219)	(541,079)
Proceeds from disposal of property, plant and equipment	458	-
Increase in refundable deposits	(8,922)	(13,022)
Increase in other receivables	-	(36,715)
Acquisition of intangible assets	(39,045)	(18,679)
Increase in other noncurrent assets	(13,683)	(17,569)
Other investing activities	-	652
Net cash used in investing activities	(1,189,688)	(624,610)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	364,407	-
Decrease in short-term loans	-	(563,401)
Repayment of long-term loans	(703,554)	(184,754)
Increase (Decrease) in guarantee deposits	20	(114)
Repayments of lease principal	(88,940)	(81,405)
Cash dividends paid	(1,498,968)	(1,011,742)
Cash Capital Increase	1,687,500	-
Repurchase cost of treasury shares	-	(77,943)
Net cash generated from (used in) financing activities	(239,535)	(1,919,359)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	68,527	(198,699)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	71,239	(777,158)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	5,256,400	4,678,438
CASH AND CASH EQUIVALENTS, END OF PERIOD	$5,327,639	$3,901,280

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

1. GENERAL INFORMATION

Sunonwealth Electric Machine Industry Co., Ltd. (collectively as the "Company") was incorporated in October 1980. The Company engages mainly in the manufacturing and selling of AC/DC brushless fans, electric fans, motors and related components, and micro cooling fans. The principal operating activities of the Company and its subsidiaries (collectively as the "Group") are described in Note 4(3). In addition, the Company has no ultimate parent company.

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

2. THE AUTHORIZATION OF CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements were approved and authorized for issue by the Board of Directors on November 6, 2026.

3. APPLICATION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

(1) Effect of adoption of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

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

New IFRSs	Effective Date Announced by IASB
Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" - Amendments to the Classification and Measurement of Financial Instruments Partial amendments to the Application Guidance on the Classification of Financial Assets	January 1, 2026

The Group has evaluated the aforementioned standards and interpretations, and there is no significant effect to the Group's financial position and performance.

(2) Effect of new issuances or amendments to IFRSs as endorsed by the FSC but not yet adopted

New IFRSs	Effective Date Announced by IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 1)
IFRS 19 "Disclosure Initiative - Subsidiaries without	January 1, 2027

New IFRSs	Effective Date Announced by IASB
Public Accountability: Disclosures”	
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027
Amendments to the Fair Value Option in IAS 28 Investments in Associates and Joint Ventures	January 1, 2027(Note 2)

Note 1: Entities are required to apply IFRS 18 for annual reporting periods beginning on or after January 1, 2028. Earlier application is permitted.

Note 2: Not applicable to entities that have not applied IFRS 18.

Except as stated below, The Group has assessed that the above standards and interpretations have no significant impact on the Group’s financial position and financial performance.

A. IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 will replace IAS 1 and update the structure of the consolidated income statement. It will introduce new disclosures on management-defined performance measures and strengthen the principles of aggregation and disaggregation applied to the primary financial statements and notes.

B. IFRS 19 “Disclosure Initiative - Subsidiaries without Public Accountability: Disclosures”

IFRS 19 permits eligible subsidiaries to apply reduced disclosure requirements instead of the disclosure requirements in other IFRS Accounting Standards.

C. Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency "

The amendment adds a requirement that when translating amounts from the functional currency of a non-highly inflationary economy to the presentation currency of a highly inflationary economy, all amounts (including comparative amounts) must be translated using the closing rate at the most recent balance sheet date. The amendment also includes an exception for entities whose functional currency and presentation currency are both currencies of highly inflationary economies, and whose foreign operations have a functional currency of a non-highly inflationary economy, exempting them from restating comparative amounts. Additionally, it introduces disclosure of aggregated financial information that includes the translation method and the foreign operations to which that translation method is applied.

D. Amendments to the Fair Value Option in IAS 28 Investments in Associates and Joint Ventures

The amendments clarify which entities are eligible to measure investments in associates and joint ventures at fair value through profit or loss in accordance with IFRS 9.

(3) Effect of the IFRSs issued by IASB but not yet endorsed and issued into effect by FSC:

New IFRSs	Effective Date Announced by IASB
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 20 "Regulatory Assets and Regulatory Liabilities"	January 1, 2029

Except as stated below, The Group has assessed that the above standards and interpretations have no significant impact on the Group's financial position and financial performance.

A. Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"

The amendment resolve the difference between IFRS10 and IAS28, Transactions in which investors sell (invest) assets to their affiliated companies or joint ventures. Recognition of the gain or loss from the sale or contribution of assets depends on whether the assets constitute a business.

(A) The gain or loss resulting from the sale or contribution of assets that constitute a business, between an investor and its associate or joint venture is recognized in full;

(B) The partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business.

B. IFRS 20 "Regulatory Assets and Regulatory Liabilities"

This Standard establishes requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expenses, and will replace IFRS 14 "Regulatory Deferral Accounts".

As of the date the accompany consolidated financial statements are authorized for issue, the Group is still evaluating the impact on its financial position and financial performance as a result of the initial adoption of the aforementioned standards or interpretations. The related impact will be disclosed when the Group completes the evaluation.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Except for the following, the accounting policies applied in these consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2025. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, "Interim Financial Reporting", endorsed and issued into effect by

the FSC.

B. The consolidated financial statements should be read with the consolidated financial statements for the year ended December 31, 2025.

(2) Basis of preparation

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

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

b. Financial assets at fair value through other comprehensive income or loss.

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

B. The preparation of financial statements in compliance with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

a. All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

b. Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

c. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

d. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

e. When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss or transferred directly to retained earnings as appropriate, on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. The consolidated entities were as follows:

		Percentage of Ownership		
Investee / Subsidiary	Main Businesses	September 30, 2026	December 31, 2025	September 30, 2025
1.Sunonwealth Electric Machine Industry Co., Ltd.				
Sunon INC.	Manufacturing and selling of fans	100.00%	100.00%	100.00%
Sunon SAS.	Manufacturing and selling of fans	100.00%	100.00%	100.00%
Sunon Corporation	Manufacturing and selling of fans	100.00%	100.00%	100.00%
Sunonwealth Electric Machine Ind.(H.K.)Ltd.	Manufacturing and selling of fans	99.99%	99.99%	99.99%
Successful Century Co., Ltd.	Investments	100.00%	100.00%	100.00%
BVI Sunon International Limited	Investments	100.00%	100.00%	100.00%
Sunon Electronics India Private Limited	Manufacturing and selling of fans	99.99%	99.99%	99.99%
Sunon Electronics Philippines Corp.	Manufacturing and selling of fans	99.99%	99.99%	99.99% (refer to A.b.II)
Sunon Properties Philippines Corp.	Real estate development and investment	99.99%	99.99%	99.99%
Sunon Cooling Technology (Thailand) Co.,Ltd	Manufacture and pin of heat dissipation modules Sales of all kinds of electronics, motors Import and wholesale of components and components	100.00%	100.00%	100.00% (refer to B.b.II)
2.BVI Sunon International Limited				
Sunon Electronic (Foshan) Co., Ltd.	General investment and trade	100.00%	100.00%	100.00%
Sunon Electronic (Bei Hai) Co., Ltd.	Manufacturing and selling of new type electronic parts	100.00%	100.00%	100.00%

Investee / Subsidiary	Main Businesses	Percentage of Ownership		
		September 30, 2026	December 31, 2025	September 30, 2025
3.Sunon Electronic (Foshan) Co., Ltd.				
Beihai Li Zhun Electronics Co., Ltd.	Manufacturing and selling of fans	66.67%	66.67%	66.67%
4.Successful Century Co., Ltd.				
Sunon Electronic (Kunshan) Co., Ltd.	Manufacturing and selling of fans	100.00%	100.00%	100.00%
5. Sunon Electronic (Kunshan) Co., Ltd.				
Beihai Li Zhun Electronics Co., Ltd.	Manufacturing and selling of fans	33.33%	33.33%	33.33%
Sunon Cooling Technology (Huizhou)Co., Ltd.	Liquid cooling and heat dissipation related products Manufacture and sale of goods	100.00%	100.00%	100.00% (refer to C.b.II)
6.Sunon SAS				
Sunon Deutschland GmbH	Selling of fans	100.00%	100.00%	100.00%

a. The financial statements of above mentioned subsidiaries, expect for those of the significant subsidiaries, Successful Century Co., Ltd., Sunon Electronic (Kunshan) Co., Ltd., BVI Sunon International Limited and Sunon Electronic (Bei Hai) Co., Ltd. were not reviewed by independent auditors.

b. Changes in subsidiaries:

I. From January to September 2026, Sunonwealth Electric Machine Industry Co., Ltd. made additional investments of NT$158,965 thousand in Sunon Electronics Philippines Corp.

II. The Group established Sunon Cooling Technology (Thailand) Co., Ltd. in March 2025, which was invested in by Sunonwealth Electric Machine Industry Co., Ltd. with a 100.00% shareholding. From January to September 2026, Sunonwealth Electric Machine Industry Co., Ltd. made additional investments of NT$3,351 thousand in Sunon Cooling Technology (Thailand) Co., Ltd.

III. The Group established Sunon Cooling Technology (Huizhou) Co., Ltd. in February 2025, which was invested in by Sunon Electronic (Kunshan) Co., Ltd. with a 100.00% shareholding. From January to September 2026, Sunon Electronic (Kunshan) Co., Ltd. made additional investments of RMB 40,000 thousand in Sunon Cooling Technology (Huizhou) Co., Ltd.

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

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

E. Material restrictions: None.

F. Contents of the parent company's securities held by subsidiaries: None.

G. Subsidiaries that have non-controlling interest that are material to the Group: None.

(4) Retirement benefits

The 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.

(5) Income taxes

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. The effect of a change in tax rate resulting from a change in tax law is recognized consistently with the accounting for the transaction itself which gives rise to the tax consequence, and this is recognized in profit or loss, other comprehensive income or directly in equity in full in the period in which the change in tax rate occurs.

5. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

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

6. CONTENTS OF SIGNIFICANT ACCOUNTS

Except for the following, please refer to Note 6 to the consolidated financial statements for year ended December 31, 2025.

(1) Cash and cash equivalents

Item	September 30, 2026	December 31, 2025	September 30, 2025
Cash on hand	$1,276	$849	$689
Cash in banks	5,176,546	4,606,309	3,900,591
Cash equivalents			
Short term notes with original maturities within three months	149,817	649,242	-
Total	$5,327,639	$5,256,400	$3,901,280

A. The financial institutions dealing with the Group are credit worthy, and the Group does transactions with a number of financial institutions to diversify credit risk that are unlikely to be expected to default.

B. The Group had no cash and cash equivalents pledged to others.

(2) Current financial assets at fair value through profit or loss - current

Item	September 30, 2026	December 31, 2025	September 30, 2025
Non-derivative financial assets			
Beneficiary Certificate	$464,909	$ -	$ -

A. The Group recognized net gain (loss) of financial assets at fair value through profit or loss of $6 thousand, $0 thousand, $14 thousand and $0 thousand for the three months and nine months ended September 30, 2026 and 2025, respectively.

B. The Group had no current financial assets at fair value through profit or loss - current pledged to others.

(3) Notes receivable, net

Item	September 30, 2026	December 31, 2025	September 30, 2025
At amortized cost			
Notes receivable	$78,052	$62,127	$24,274
Less: Impairment allowance	(24)	(24)	(24)
Net	$78,028	$62,103	$24,250

A. The Group had no notes receivable pledged to others.

B. Please refer to Note 6(4) for the relevant disclosure of loss allowance for notes receivable.

(4) Accounts receivable, net

Item	September 30, 2026	December 31, 2025	September 30, 2025
At amortized cost			
Accounts receivable	$6,173,809	$5,172,739	$5,266,224
Less: Impairment allowance	(13,770)	(17,388)	(13,285)
Net	$6,160,039	$5,155,351	$5,252,939

A. The accounts receivable that were neither past due nor impaired was following the Group’s credit policy determined by reference to the industry characteristics, operation scale and current financial position of the counterparties. The average credit period on sales of goods was 2-4 months.

B. The Group had no accounts receivable pledged to others.

C. To reduce major credit risk, the Group bought credit guarantee insurance.

D. The Group applies the simplified approach to provisions for expected credit losses, which permits the use of a lifetime expected credit losses provision for trade receivables (including other receivables). The expected credit losses on trade receivables are estimated by reference to past account aging records of the debtor, an analysis of the debtor’s current financial position, industrial trend. The Group recognizes loss allowance hazed on the expected credit loss ratio of customers by different risk levels with consideration of factors of historical loss ratios and customers’ financial conditions, competitiveness and business outlook.

E. The Group measures the loss allowance for notes receivable and accounts receivable (including other receivables) according to the provision matrix:

September 30, 2026	Expected Credit Loss Rate	Gross Carrying Amount	Loss Allowance (Lifetime ECL)	Amortized Cost
Not past due	0.05%-5%	$6,279,669	($13,549)	$6,266,120
Past due within 30 days	0.05%-5%	103,671	(106)	103,565
Past due 31-90 days	0.05%-5%	35,090	(43)	35,047
Past due over 91 days	0.05%-5%	548	(96)	452
Total		$6,418,978	($13,794)	$6,405,184

December 31, 2025	Expected Credit Loss Rate	Gross Carrying Amount	Loss Allowance (Lifetime ECL)	Amortized Cost
Not past due	0.05%-5%	$5,086,444	($16,034)	$5,070,410
Past due within 30 days	0.05%-5%	302,376	(831)	301,545
Past due 31-90 days	0.05%-5%	36,750	(247)	36,503
Past due over 91 days	0.05%-5%	4,347	(300)	4,047
Total		$5,429,917	($17,412)	$5,412,505

September 30, 2025	Expected Credit Loss Rate	Gross Carrying Amount	Loss Allowance (Lifetime ECL)	Amortized Cost
Not past due	0.05%-5%	$5,382,242	($12,905)	$5,369,337
Past due within 30 days	0.05%-5%	42,072	(258)	41,814
Past due 31-90 days	0.05%-5%	23,997	(53)	23,944
Past due over 91 days	0.05%-5%	427	(93)	334
Total		$5,448,738	($13,309)	$5,435,429

F. Movements of the impairment allowance for notes and accounts receivable were as follows:

	Nine Months Ended September 30	
	2026	2025
Beginning balance	$17,412	$12,131
Add: Provision for impairment	-	1,393
Less: Reversal of impairment	(3,808)	-
Less: Foreign exchange differences	190	(215)
Ending balance	$13,794	$13,309

The above provision has already taken into consideration of collateral or other credit enhancement. The other credit enhancement possessed by above receivables was $2,436,410 thousand, $1,752,864 thousand and $2,054,433 thousand as of September 30, 2026, December 31, 2025 and September 30, 2025, respectively.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery of

the receivable. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables which are due.

Where recoveries are made, these are recognized in profit or loss. The Group's trade receivables for offsetting the contract amount are $0 thousand for the nine months ended September 30, 2026 and 2025.

G. Please refer to Note 12 for the relevant credit risk management and assessment method.

(5) Inventories and operating costs

Item	September 30, 2026	December 31, 2025	September 30, 2025
Raw materials	$1,420,859	$793,623	$736,431
Supplies	55,822	35,650	31,369
Work in process	464,232	341,333	320,113
Finished goods	1,574,560	1,253,370	1,111,414
Net	$3,515,473	$2,423,976	$2,199,327

A. The related inventory gain (loss) recognized as operating cost for the nine months ended September 30, 2026 and 2025 were as follows:

	Three Months Ended September 30	
Item	2026	2025
Cost of goods sold	$4,124,001	$3,384,964
Unallocated overheads and labor cost	24,580	27,287
Gain (loss) on inventory valuation	(1,118)	(10,028)
Others	(13,054)	(13,887)
Total	$4,134,409	$3,388,336

	Nine Months Ended September 30	
Item	2026	2025
Cost of goods sold	$11,271,058	$9,505,845
Unallocated overheads and labor cost	75,797	71,632
Gain (loss) on inventory valuation	(2,090)	22,943
Others	(54,992)	(28,112)
Total	$11,289,773	$9,572,308

B. The Group recognized inventory valuation loss (gain) of ($1,118) thousand, ($10,028) thousand, ($2,090) thousand and $22,943 thousand for the three months and nine months ended September 30, 2026 and 2025, respectively, as a result of inventory's write-down to net realizable value or increasing price of some products and decreasing part of inventory.

C. The Group had no inventories pledged to others.

(6) Other financial assets - current

Item	September 30, 2026	December 31, 2025	September 30, 2025
Time deposits with maturities of more than nine months	$47,290	$ -	$ -

(7) Financial assets at fair value through profit or loss - noncurrent

Item	September 30, 2026	December 31, 2025	September 30, 2025
Non-derivative financial assets-noncurrent			
Convertible bonds	$ -	$ -	$171,253

A. The Group recognized net gain (loss) of financial assets at fair value through profit or loss of $0 thousand, $9,546 thousand, $0 thousand and ($1,917) thousand for the three months and nine months ended September 30, 2026 and 2025, respectively.

B. The Group had no financial assets at fair value through profit or loss pledged to others.

(8) Financial assets at fair value through other comprehensive income or loss - noncurrent

Item	September 30, 2026	December 31, 2025	September 30, 2025
Equity instruments			
Unlisted stocks	$24,834	$30,095	$30,359

A. The Group invests in domestic unlisted stocks in accordance with its medium long-term strategies and expects to make a profit through long-term investment. Management of the Group believes that it is not consistent with the afore-mentioned long-term investment planning if the short-term fair value changes of such investment are presented in profit or loss. Therefore, the Group elects to designate such investment as to be measured at FVTOCI.

B. Please refer to Note 12 for relevant credit risk management and assessment methods.

C. The financial assets at FVTOCI were not pledged as collateral.

(9) Investments accounted for using equity method

Item	September 30, 2026	December 31, 2025	September 30, 2025
Associates:			
Associates without significance	$85,552	$42,561	$11,296

A. Associates:

Shares of individually insignificant associates of the Group are summarized as follows:

	Three Months Ended September 30	
	2026	2025
Share of:		
Net gain (loss)	($4,023)	($858)
Other comprehensive income (loss) (net after tax)	-	-
Total comprehensive income (loss)	($4,023)	($858)

	Nine Months Ended September 30	
	2026	2025
Share of:		
Net loss	($9,033)	($3,560)
Other comprehensive income (loss) (net after tax)	-	-
Total comprehensive loss	($9,033)	($3,560)

B. For the nine months ended September 30, 2026 and 2025, investment was accounted for using the equity method and the share of profit or loss and other comprehensive income of investment was calculated based on financial statements which have been not reviewed.

(10) Property, plant and equipment

Item	September 30, 2026	December 31, 2025	September 30, 2025
Land	$820,335	$820,335	$820,335
Buildings	566,403	546,406	540,901
Machinery and equipment	2,122,029	1,665,618	1,407,415
Miscellaneous equipment	1,125,789	895,806	833,101
Leasehold improvements	436,315	382,105	345,507
Equipment to be inspected and construction in progress	912,339	497,675	292,266
Total cost	$5,983,210	$4,807,945	$4,239,525
Less: Accumulated depreciation and impairment	(2,125,273)	(1,754,407)	(1,631,170)
Net	$3,857,937	$3,053,538	$2,608,355

Cost	Land	Buildings	Machinery and Equipment	Miscellaneous Equipment	Leasehold Improvement	Equipment to be Inspected and Construction in Progress	Total
Balance at January 1, 2026	$820,335	$546,406	$1,665,618	$895,806	$382,105	$497,675	$4,807,945
Additions	-	172	145,013	114,766	8,605	818,519	1,087,075
Disposals	-	-	(47,619)	(16,523)	-	-	(64,142)
Reclassification	-	716-	257,272	85,072	30,211	(373,271)	-
Transfer to expenses	-	-	-	-	-	(6,585)	(6,585)
Transfer to prepayments	-	-	-	-	-	(3,878)	(3,878)
Transfer to other non-current assets						(2,049)	(2,049)
Effect of foreign currency exchange differences	-	19,109	101,745	46,668	15,394	(18,072)	164,844
Balance at September 30, 2026	$820,335	$566,403	$2,122,029	$1,125,789	$436,315	$912,339	$5,983,210
Accumulated Depreciation and Impairment							
Balance at January 1, 2026	$ -	$281,116	$699,489	$494,033	$279,769	$ -	$1,754,407
Depreciation expense	-	11,825	183,459	106,585	31,220	-	333,089
Disposals	-	-	(45,732)	(16,354)	-	-	(62,086)
Effect of foreign currency exchange differences	-	9,734	53,403	25,836	10,890	-	99,863
Balance at September 30, 2026	$ -	$302,675	$890,619	$610,100	$321,879	$ -	$2,125,273

Cost	Land	Buildings	Machinery and Equipment	Miscellaneous Equipment	Leasehold Improvement	Equipment to be Inspected and Construction in Progress	Total
Balance at January 1, 2025	$820,335	$571,866	$1,307,669	$764,728	$359,569	$145,782	$3,969,949
Additions	-	1,791	52,953	62,033	3,351	392,053	512,181
Disposals	-	(12,112)	(43,522)	(11,376)	-	-	(67,010)
Reclassification	-	404	171,199	56,647	2,294	(230,544)	-
Transfer to expenses	-	-	-	-	-	(2,512)	(2,512)
Transfer to prepayments	-	-	-	-	-	(202)	(202)
Effect of foreign currency exchange differences	-	(21,048)	(80,884)	(38,931)	(19,707)	(12,311)	(172,881)
Balance at September 30, 2025	$820,335	$540,901	$1,407,415	$833,101	$345,507	$292,266	$4,239,525
Accumulated Depreciation and Impairment							
Balance at January 1, 2025	$ -	$288,669	$562,545	$413,334	$244,704	$ -	$1,509,252
Depreciation expense	-	11,793	142,837	80,497	29,684		264,811
Disposals	-	(12,112)	(42,536)	(10,519)	-	-	(65,167)
Effect of foreign currency exchange differences	-	(10,442)	(34,062)	(20,006)	(13,216)	-	(77,726)
Balance at September 30, 2025	$ -	$277,908	$628,784	$463,306	$261,172	$ -	$1,631,170

A. The details of interest capitalized: None.

B. The Group did not assess the impairment because there is no sign of impairment for the nine months ended September 30, 2026.

C. Property, plant and equipment pledged for the borrowings: Please refer to Note 8.

D. Reconciliations of current additions and the acquisition of property, plant and equipment in statement of cash flows were as follows:

	Nine Months Ended September 30	
Item	2026	2025
Acquisition of property, plant and equipment	$1,087,075	$512,181
Decrease (increase) in equipment payable	(7,856)	28,898
Cash paid for acquisition of property, plant and equipment	$1,079,219	$541,079

E. The Group's Property, plant and equipment are depreciated on a straight-line basis with its useful life as follows:
Buildings, 2 to 57 years;
Machinery and Equipment, 2 to 15 years;
Miscellaneous Equipment, 1 to 20 years;
Leasehold Improvement, 1 to 22 years.

(11) Lease agreement

A. Right-of-use assets

Item	September 30, 2026	December 31, 2025	September 30, 2025
Land use right	$425,090	$437,920	$428,064
Land and building	682,926	641,799	552,427
Other equipment	34,582	37,797	38,346
Total cost	$1,142,598	$1,117,516	$1,018,837
Less: Accumulated depreciation	(349,383)	(380,238)	(356,508)
Net	$793,215	$737,278	$662,329

Cost	Land-use Right	Land and Buildings	Other Equipment	Total
Balance at January 1, 2026	$437,920	$641,799	$37,797	$1,117,516
Additions	-	158,057	1,800	159,857
Reductions	-	(2,124)	(211)	(2,335)
Derecognition	-	(123,757)	(5,150)	(128,907)
Effect of foreign currency exchange differences	(12,830)	8,951	346	(3,533)
Balance at September 30, 2026	$425,090	$682,926	$34,582	$1,142,598
Accumulated Depreciation				
Balance at January 1, 2026	$33,028	$333,855	$13,355	$380,238
Depreciation expense	5,453	79,257	7,032	91,742
Derecognition	-	(123,757)	(5,150)	(128,907)
Effect of foreign currency exchange differences	(869)	7,143	36	6,310
Balance at September 30, 2026	$37,612	$296,498	$15,273	$349,383

Cost	Land-use Right	Land and Buildings	Other Equipment	Total
Balance at January 1, 2025	$460,304	$433,279	$30,008	$923,591
Additions	-	151,338	12,489	163,827
Disposals	-	(4,588)	(1,062)	(5,650)
Derecognition	-	(5,734)	(2,777)	(8,511)
Effect of foreign currency exchange differences	(32,240)	(21,868)	(312)	(54,420)
Balance at September 30, 2025	$428,064	$552,427	$38,346	$1,018,837
Accumulated Depreciation				
Balance at January 1, 2025	$27,052	$262,068	$17,181	$306,301
Depreciation expense	5,493	63,117	5,811	74,421
Derecognition	-	(5,734)	(2,777)	(8,511)
Effect of foreign currency exchange differences	(2,067)	(13,366)	(270)	(15,703)
Balance at September 30, 2025	$30,478	$306,085	$19,945	$356,508

B. Lease liabilities

Item	September 30, 2026	December 31, 2025	September 30, 2025
Carrying amount of lease liabilities			
- current	$97,786	$81,393	$82,130
- noncurrent	$311,493	$259,304	$189,851

Ranges of discount rates for lease liabilities are as follows:

Item	September 30, 2026	December 31, 2025	September 30, 2025
Land and buildings	0.71%-7.21%	0.63%-7.21%	0.63%-7.21%
Other equipment	0.73%-6.09%	0.73%-6.09%	0.73%-6.09%

Please refer to Note 12(3) for lease liabilities with repayment periods.

C. Material lease-in activities and terms

The Group leased some land and buildings, etc. as factory, with the lease terms of 3 to 75 years. There is no sign of impairment of right-of-use assets as for the nine months ended September 30, 2026. Therefore, the Group didn't assess the impairment.

D. Subleasing: None.

E. Other lease information:

(1) Please refer to Note 6(12) for agreement to lease investment properties under operating lease.

(2) The current lease relevant expense information is as follows:

	Three Months Ended September 30	
	2026	2025
Short-term lease expense	$3,381	$4,749
Low-value asset lease expense	$70	$42
Variable lease payments that excluded in the measurement of lease liabilities	$345	$284
Total cash outflow for leases (Note)	($40,388)	($29,610)

	Nine Months Ended September 30	
	2026	2025
Short-term lease expense	$11,297	$12,077
Low-value asset lease expense	$207	$162
Variable lease payments that excluded in the measurement of lease liabilities	$799	$602
Total cash outflow for leases (Note)	($101,243)	($94,246)

(Note): Including current principle paid for lease liabilities.

(12) Investment properties, net

Item	September 30, 2026	December 31, 2025	September 30, 2025
Land	$77,109	$77,109	$77,109
Buildings	40,062	40,062	40,062
Total cost	$117,171	$117,171	$117,171
Less: Accumulated depreciation	(33,442)	(33,167)	(33,075)
Net	$83,729	$84,004	$84,096

Cost	Land	Buildings	Total
Balance at January 1, 2026	$77,109	$40,062	$117,171
Additions	-	-	-
Balance at September 30, 2026	$77,109	$40,062	$117,171

Accumulated Depreciation			
Balance at January 1, 2026	$ -	$33,167	$33,167
Depreciation expense	-	275	275
Balance at September 30, 2026	$ -	$33,442	$33,442

Cost	Land	Buildings	Total
Balance at January 1, 2025	$77,109	$40,062	$117,171
Additions	-	-	-
Balance at September 30, 2025	$77,109	$40,062	$117,171

Accumulated Depreciation			
Balance at January 1, 2025	$ -	$32,800	$32,800
Depreciation expense	-	275	275
Balance at September 30, 2025	$ -	$33,075	$33,075

A. Rental income and direct operating expenses of investment properties are shown below:

Item	Three Months Ended September 30	
	2026	2025
Rental income of investment properties	$480	$480
Direct operating expense incurred for the investment properties with current rental income	$91	$92

Item	Nine Months Ended September 30	
	2026	2025
Rental income of investment properties	$1,441	$1,441
Direct operating expense incurred for the investment properties with current rental income	$364	$366

B. The maturity analysis of operating lease payments receivable for investment properties is as follows:

	September 30, 2026	December 31, 2025	September 30, 2025
Year 1	$1,921	$1,921	$1,792
Year 2	609	1,921	1,750
Year 3	171	171	437
Year 4	171	171	-
Year 5	171	171	-
Over 5 years	43	171	-
Total	$3,086	$4,526	$3,979

C. Investment property is depreciated on a straight-line basis over its estimated useful life of 10 to 57 years.

D. The fair values of investment properties held by the Group was $167,356 thousand, $167,356 thousand and $168,677 thousand as of September 30, 2026, December 31, 2025 and September 30, 2025, respectively. The fair value determination was performed by independent qualified professional appraisers. The valuation was based on the comparison method, and the fair value was measured by using Level 3 inputs. Please refer to Note12(4).

E. As of September 30, 2026, there were no indicators of impairment; accordingly, the Group did not perform an impairment assessment.

F. The Group had no investment properties pledged to others.

(13) Intangible assets

Item	September 30, 2026	December 31, 2025	September 30, 2025
Trademark	$8,646	$8,573	$8,403
Computer software	122,752	95,866	80,973
Total cost	$131,398	$104,439	$89,376
Less: Accumulated amortization and impairment	(64,941)	(41,763)	(35,687)

Net	$66,457	$62,676	$53,689

Cost	Trademark	Computer Software	Total
Balance at January 1, 2026	$8,573	$95,866	$104,439
Additions	-	33,422	33,422
Derecognition	-	(7,316)	(7,316)
Effect of foreign exchange differences	73	780	853
Balance at September 30, 2026	$8,646	$122,752	$131,398
Accumulated Amortization			
Balance at January 1, 2026	$ -	$41,763	$41,763
Amortization expenses	-	30,342	30,342
Derecognition	-	(7,316)	(7,316)
Effect of foreign exchange differences	-	152	152
Balance at September 30, 2026	$ -	$64,941	$64,941

Cost	Trademark	Computer Software	Total
Balance at January 1, 2025	$8,808	$81,563	$90,371
Additions	-	26,551	26,551
Derecognition	-	(26,253)	(26,253)
Effect of foreign exchange differences	(405)	(888)	(1,293)
Balance at September 30, 2025	$8,403	$80,973	$89,376
Accumulated Amortization			
Balance at January 1, 2025	$ -	$37,160	$37,160
Amortization expenses	-	25,141	25,141
Derecognition	-	(26,253)	(26,253)
Effect of foreign exchange differences	-	(361)	(361)
Balance at September 30, 2025	$ -	$35,687	$35,687

(14) Short-term loans

Item	September 30, 2026	December 31, 2025	September 30, 2025
Unsecured loan	$833,925	$469,518	$364,200
Interest range	1.81%-2.26%	2.11%-2.55%	1.20%-2.55%

(15) Other payables

Item	September 30, 2026	December 31, 2025	September 30, 2025
Accrued payroll	$542,635	$551,547	$447,863
Service fee payable	12,118	14,913	13,963
R & D payable	72,627	63,700	61,120
Bonus to employees and remuneration to directors and supervisors	99,514	94,000	63,700
Equipment payable	139,087	131,231	58,266
Others	585,071	598,578	541,195
Total	$1,451,052	$1,453,969	$1,186,107

Please refer to Note 7 for transactions with related parties.

(16) Provisions - current

Item	September 30, 2026	December 31, 2025	September 30, 2025
Employee benefits	$77,823	$68,346	$66,553

	Nine Months Ended September 30	
Item	2026	2025
Beginning balance	$68,346	$61,697
Additional provisions recognized	7,506	7,650
Provisions used	(322)	(746)
Effect of foreign exchange differences	2,293	(2,048)
Ending balance	$77,823	$66,553

Provision for employee benefits represents vested short-term service leave entitlements accrued.

(17) Long-term loans and current portion of long-term loans

Item	September 30, 2026	December 31, 2025	September 30, 2025
Credit loans	$25,480	$729,034	$416,005
Less: current portion due within one year	(25,480)	(116,534)	(30,005)
Long-term loans	$ -	$612,500	$386,000
Interest rate range	5.75%	0.75%-5.75%	0.75%-5.94%

A. Refer to Note 8 for assets pledged as collateral for long-term loans.

(18) Pension

A. Defined contribution plans

a. The plan under the Labor Pension Act (the “Act”) is deemed a defined contribution plan. Pursuant to the Group has made monthly contributions equal to 6% of each employee’s monthly salary to employees’ pension accounts.

b. The employees of the Group's subsidiaries are members of a state-managed retirement benefit plan operated by local government. The subsidiary is required to contribute amounts calculated at a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions to the fund.

c. The pension expenses were $52,318 thousand, $44,301 thousand, $157,875 thousand and $133,480 thousand for the three months and nine months ended September 30, 2026 and 2025, respectively.

B. Defined benefit plans

a. The pension under the defined benefit plans were $33 thousand, $55 thousand, $100 thousand and $164 thousand for three months and nine months ended September 30, 2026 and 2025, respectively. The pensions were calculated using the actuarially determined pension cost discount rates as of December 31, 2025 and 2024..

b. Before the end of 2025 and 2024, the Group estimated that the balance in the Labor Pension Reserve Fund was insufficient to cover the pension payments for employees expected to meet the retirement eligibility requirements in the following year. Accordingly, the Group contributed the shortfall to the fund in March 2026 and 2025, respectively, and reduced the net defined benefit liability by $0 thousand in both years.

(19) Share capital

A. Movements in the number of the Group's ordinary shares outstanding were as follows:

	Nine months Ended September 30, 2026	
Item	Shares (in thousands)	Amount
Balance at January 1	273,444	$2,734,437
Capital increase in cash	13,500	135,000
Balance at September 30	286,944	$2,869,437

	Nine months Ended September 30, 2025	
Item	Shares (in thousands)	Amount
Balance at January 1	273,444	$2,734,437
Capital increase in cash	-	-
Balance at September 30	273,444	$2,734,437

B. As of September 30, 2026, the authorized capital was $5,000,000 thousand, consisting of 500,000 thousand shares.

C. To repay bank borrowings and strengthen working capital, the Company's Board of Directors approved on November 6, 2025 a cash capital increase through the issuance of 13,500 thousand common shares. The offering was declared effective

by the Financial Supervisory Commission on January 16, 2026 (Ref. No. FSC Securities Issuance Zi No. 1140369249). The subscription record date for the capital increase was set on March 2, 2026, and the record date for the cash capital increase was set on March 17, 2026, with an issue price of NT$125 per share.

(20) Capital surplus

Item	September 30, 2026	December 31, 2025	September 30, 2025
From merger	$18,227	$18,227	$18,227
Additional Paid-in Capital in Excess of Par	1,563,390	-	-
From convertible bonds	1,477,900	1,477,900	1,477,900
Treasury share transactions	21,464	21,464	21,464
Reorganization	1,050	1,050	1,050
Differences between considerations and carrying amounts of subsidiaries acquired or disposed	147	147	147
Other	104	-	-
Total	$3,082,282	$1,518,788	$1,518,788

Under the Company Act, the capital surplus generated from the excess of the issuance price over the par value of capital stock and donations can be used to offset deficit or may be distributed as stock dividends or in cash. Under the regulations of the Security Exchange Law, the maximum amount transferred from the foregoing capital surplus to the Company's capital per year shall not be over 10% of the Company's paid-in capital. Capital surplus can't be used to offset deficit unless legal reserve is insufficient. The capital surplus from long-term investments may not be used for any purpose.

(21) Share-based Payment

(1) From January 1 to September 30, 2026, the Group’s share-based payment arrangements were as follows:

Type of arrangement	Grant date	Number of options granted(shares)	Contract term	Vesting conditions
Cash capital increase with employee subscription rights reserved	115.3.2	330,000	NA	Immediately vested

(2) The Group estimated the fair value of share-based payment transactions granted at the grant date using the Black-Scholes option pricing model. The related information is as follows:

Type of arrangement	Grant date	Share price	Exercise price	Expected volatility	Expected life	Expected dividends	Risk-free interest rate	Fair value per unit
Cash capital increase with shares reserved for employee subscription	115.3.2	137.20	125	49.83%	1 year	-	1.16%	33

(3) Share-based payment expenses are as follows:

	Three months Ended September 30, 2026
Equity-settled	$ -

	Nine months Ended September 30, 2026
Equity-settled	$ 10,890

(22) Retained earnings and dividend policy

(1) In accordance with the dividend policy as set forth in the amended Articles, where the Company made 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 a special reserve in accordance with the laws and regulations, and the remainder plus prior year's unappropriated earnings will be recommended by The Board of Directors and approved through the Shareholders' meeting.

In consideration of its operation and capital expenditure demands, the Company stipulates appropriate dividend distribution ratio, and proposes for approval in the shareholders' meeting. However, at least 20% of total dividends should be distributed in cash.

(2) Legal reserve may be used to offset a deficit, and be transferred to capital or distributed in cash. However, legal reserve can be transferred to capital or distributed in cash only when the legal reserve has exceeded 25% of the Company's paid-in capital.

(3) Special reserve

	September 30, 2026	December 31, 2025	September 30, 2025
Provision for the debit balance of other equity	$165,166	$57,507	$57,507
Provision for initial application of IAS	79,155	79,155	79,155
Total	$244,321	$136,662	$136,662

A. The Company may allocate earnings only after providing special reserve for debt

balance in other equity on the date of balance sheet, and the reversal of debit balance in other equity, if any, may be stated into allocable earnings.

B. Upon first-time adoption of IFRSs, the special reserve provided pursuant to the official letter under Jin-Guan-Jheng-Fa-Zih No. 1010012865 dated April 6, 2012 may be reversed to allocable retained earnings in proportion to the special reserve as provided originally, if the Company uses, disposes of or reclassifies the relevant assets in the future.

(4) The appropriation of earnings for 2025 was proposed by the Board of Directors' meeting held in May 2026, while the appropriation of earnings for 2024 was approved by the stockholders' meeting held in May 2025. The details of appropriation are as follows:

	Appropriation of Earnings		Dividends Per Share (NT$)	
Item	2025	2024	2025	2024
Legal reserve	$216,417	$149,507		
Special reserve	107,659	(163,523)		
Cash dividends	1,498,968	1,011,742	5.5	3.7
Total	$1,823,044	$997,726		

In the event of repurchase of the Company's shares, transfer, conversion or annulment of treasury stocks, and exercise of employees' stock options, leading to a change in the number of outstanding shares and a consequent change in dividend yield, it is proposed that the chairman is authorized by the Board of Directors to duly adjust stocks and cash payout rates.

(5) Information on the earnings appropriation proposed by the Company's Board of Directors and approved by the Company's shareholders is available on the Market Observation Post System website of the Taiwan Stock Exchange.

(23)Other equity

Item	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial asset at fair value through other comprehensive income	Total
Balance, January 1, 2026	($252,832)	$ 8,511	($244,321)
Share of subsidiaries, associates and joint ventures accounted for using equity method	104,951	-	104,951
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	-	(5,390)	(5,390)
Balance, September 30, 2026	($147,881)	$3,121	($144,760)

Item	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial asset at fair value through other comprehensive income	Total
Balance, January 1, 2025	($145,931)	$9,269	($136,662)
Share of subsidiaries, associates and joint ventures accounted for using equity method	(265,069)	-	(265,069)
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	-	(400)	(400)
Balance, September 30, 2025	($411,000)	$8,869	($402,131)

(24) Treasury shares

A. Reasons for share redemption and changes in share quantity

(Number of shares (in thousands))

Reason for repurchase	Year Ended September 30 2026	2025
Transferring employees		
Balance, January 1	$904	$ -
Increase in current period	-	904
Decrease in current period	-	-
Balance, September 30	$904	$904

On April 10, 2025, the Board of Directors resolution to repurchase treasury shares and transfer them to employees, It is expected that 6,000 thousands treasury shares will be repurchased from April 11, 2025 to June 10, 2025. As of the expiration date of the repurchase period, the company has repurchased a total of 904 thousands shares, with a total amount of 77,943 thousands.

B. According to the Securities and Exchange Act, The amount of shares purchased shall not exceed 10% of the total number of shares issued by the company, and the total amount of shares purchased shall not exceed the retained earnings plus the premium on the issued shares and the amount of realized capital reserves.

C. The treasury shares held by the Company shall not be pledged in accordance with the Securities and Exchange Act nor shall enjoy shareholder rights before being transferred.

D. According to the Securities and Exchange Act, shares repurchased for transfer to employees must be transferred within five years from the date of repurchase. If they are not transferred within the time limit, they will be deemed as unissued shares by the company and the company must apply for change registration to cancel the shares.

(25) Operating revenues

Item	Three Months Ended September 30	
	2026	2025
Revenue from contracts with customers		
Sales	$6,159,497	$4,961,045
Sales return	(11,123)	(17,125)
Sales discount	(5,864)	(9,512)
Net	$6,142,510	$4,934,408

Item	Nine Months Ended September 30	
	2026	2025
Revenue from contracts with customers		
Sales	$16,634,717	$13,883,202
Sales return	(23,750)	(39,085)
Sales discount	(30,340)	(84,279)
Net	$16,580,627	$13,759,838

A. Details of contract revenue

Sales of fans and other related goods are mainly to system manufacturers and distributors. Please refer to Note 14 for the main sale areas.

B. The Group's timing of revenue recognition is transferred the goods at a certain point of time.

C. Contract balances

The Group recognized the receivables, contract assets and contract liabilities in relation to contract revenue as follows:

Item	September 30, 2026	December 31, 2025	September 30, 2025	January 1, 2025
Receivables	$6,238,067	$5,217,454	$5,277,189	$4,102,777
Contract assets	-	-	-	-
Total	$6,238,067	$5,217,454	$5,277,189	$4,102,777
Contract liabilities - current	$196,194	$164,903	$113,589	$109,304

a. Significant changes in contract assets and contract liabilities

The change in the contract assets and contract liabilities primarily result from the timing difference between the satisfaction of performance obligation and the customer's payment, and there is no other significant change.

b. Amount from previous period's satisfied performance obligations and beginning contract liabilities recognized in the current period as income were as follows:

Revenue in the current period	Nine Months Ended September 30 2026	2025
From beginning contract liabilities	$164,903	$109,304
From previous period's satisfied performance obligations	$ -	$ -

(26) Labor cost, depreciation and amortization

Item	Three Months ended September 30, 2026 Operating cost	Operating expenses	Total
Labor cost			
Salaries	$384,574	$394,228	$778,802
Insurance	34,384	27,166	61,550
Pension	36,626	15,725	52,351
Others	158,473	26,381	184,854
Depreciation	109,425	41,462	150,887
Amortization	6,840	23,197	30,037
Total	$730,322	$528,159	$1,258,481

Item	Three Months ended September 30, 2025 Operating cost	Operating expenses	Total
Labor cost			
Salaries	$387,645	$329,468	$717,113
Insurance	28,375	24,034	52,409
Pension	30,589	13,767	44,356
Others	141,535	22,077	163,612
Depreciation	83,486	31,073	114,559
Amortization	5,205	17,896	23,101
Total	$676,835	$438,315	$1,115,150

Item	Nine Months ended September 30, 2026 Operating cost	Operating expenses	Total
Labor cost			
Salaries	$1,171,511	$1,087,851	$2,259,362
Insurance	102,107	83,588	185,695
Pension	111,600	46,375	157,975
Others	493,278	73,244	566,522
Depreciation	311,161	113,945	425,106
Amortization	19,273	69,365	88,638
Total	$2,208,930	$1,474,368	$3,683,298

Item	Nine Months ended September 30, 2025		
	Operating cost	Operating expenses	Total
Labor cost			
Salaries	$1,108,942	$910,617	$2,019,559
Insurance	85,802	74,397	160,199
Pension	93,133	40,511	133,644
Others	446,997	63,410	510,407
Depreciation	252,440	87,067	339,507
Amortization	15,796	45,050	60,846
Total	$2,003,110	$1,221,052	$3,224,162

1. The company accrued employees' compensation, and base-level employees, and remuneration to directors at rates no less than 2% and no less than 0.3% and no more than 5%, respectively, of net income before income tax and the aforementioned compensation and remuneration. For the three months and nine months ended September 30, 2026 and 2025, employees' compensation was accrued at $26,195 thousand, $20,900 thousand, $66,100 thousand and $45,700 thousand, respectively, while base-level employees was accrued at $5,220 thousand, $3,000 thousand, $13,300 thousand and $6,500 thousand, respectively, while directors' remuneration was accrued at $6,650 thousand, $5,200 thousand, $16,700 thousand and $11,500 thousand, respectively.

2. The employees' compensation and remuneration to directors for the years ended December 31, 2025 and 2024 had been approved by the Company's Board of Directors meeting held on March 5, 2026 and March 6, 2025, respectively, and the relevant amounts recognized in the consolidated financial statements were as follows:

	Year ended December 31			
	2025		2024	
	Employees' compensation(Note)	Remuneration to directors	Employees' compensation	Remuneration to directors
Resolution amount of allotment	$78,000	$16,000	$44,000	$11,000
Recognized in the annual financial statements	78,000	16,000	44,000	11,000
Difference	$ -	$ -	$ -	$ -

(Note)：the amount include base-level employees.

The above mentioned employees' compensation will be paid by cash.

3. Information about the appropriation of employees' compensation and directors'

remuneration by the Company as proposed by the Board of Directors and resolved by the shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(27)Interest income

	Three Months Ended September 30	
Item	2026	2025
Interest on bank deposits	$32,903	$20,388
Others	2,876	1,976
Total	$35,779	$22,364

	Nine Months Ended September 30	
Item	2026	2025
Interest on bank deposits	$86,480	$85,308
Others	7,304	5,052
Total	$93,784	$90,360

(28) Other income

	Three Months Ended September 30	
Item	2026	2025
Rental income	$485	$492
Dividend income	217	217
Others – Sample sales, etc.	23,701	22,369
Others - Subsidy	3,328	7,959
Others	22,624	18,851
Total	$50,355	$49,888

	Nine Months Ended September 30	
Item	2026	2025
Rental income	$1,467	$1,513
Dividend income	217	217
Others – Sample sales, etc.	59,534	59,590
Others - Subsidy	50,940	12,458
Others	52,960	71,590
Total	$165,118	$145,368

(29) Other gains and losses

Item	Three Months Ended September 30	
	2026	2025
Net gain (loss) on financial instruments at FVTPL	$6	$9,546
Net currency exchange gain (loss)	(48,047)	78,793
Gain (loss) on disposal of property, plant and equipment	137	(657)
Others	(1,455)	(19,924)
Total	($49,359)	$67,758

Item	Nine Months Ended September 30	
	2026	2025
Net gain (loss) on financial instruments at FVTPL	$14	($1,917)
Net currency exchange gain (loss)	(95,105)	(162,044)
Gain (loss) on disposal of property, plant and equipment	(1,598)	(1,843)
Others	(12,194)	(38,159)
Total	($108,883)	($203,963)

(30) Finance costs

Item	Three Months Ended September 30	
	2026	2025
Interest on loans	$4,847	$7,111
Interest on lease liabilities	3,754	2,299
Less: capitalized amount for qualified assets	-	-
Carrying amount	$8,601	$9,410

Item	Nine Months Ended September 30	
	2026	2025
Interest on loans	$13,978	$25,518
Interest on lease liabilities	10,047	6,313
Others Interest	6	2
Less: capitalized amount for qualified assets	-	-
Carrying amount	$24,031	$31,833

(31) Income tax expense

A. Components of tax expense:

	Three Months Ended September 30	
Current income tax	2026	2025
Income tax incurred in current year	$217,052	$132,783
Prior year income tax (over) under estimation	633	(4)
Undistributed surplus for income tax	275	-
Total	$217,960	$132,779
Deferred income tax		
The origination and reversal of temporary differences	40,010	$71,359
Total	40,010	$71,359
Income tax expense	$257,970	$204,138

	Nine Months Ended September 30	
Current income tax	2026	2025
Income tax incurred in current year	$696,755	$395,585
Prior year income tax (over) under estimation	(42,598)	(18,843)
Undistributed surplus for income tax	13,331	-
Total	$667,488	$376,742
Deferred income tax		
The origination and reversal of temporary differences	($31,423)	$78,228
Total	($31,423)	$78,228
Income tax expense	$636,065	$454,970

The applicable tax rate used by the Group is 20%. In addition, the tax rate applicable to unappropriated earning is 5%. Tax rates used by other group entities operating in other jurisdictions are based on the tax laws in those jurisdictions.

B. Income tax expense (benefit) recognized in other comprehensive income

	Three Months Ended September 30	
Current income tax	2026	2025
Exchange differences on translation of foreign operations	$1,094	$33,983

	Nine Months Ended September 30	
Current income tax	2026	2025
Exchange differences on translation of foreign operations	$26,237	($66,267)

C. The tax authorities have rectified Company's income tax returns through 2024.

(32)Other comprehensive income (loss)

Item	Three Months Ended September 30, 2026		
	Before tax	Income tax benefit (expense)	After tax
Items that will not be reclassified subsequently to profit or loss：			
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	($1,721)	$ -	($1,721)
Subtotal	($1,721)	$ -	($1,721)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign financial statements	$5,472	($1,094)	4,378
Subtotal	$5,472	($1,094)	$4,378
Recognized in other comprehensive income (loss)	$3,751	($1,094)	$2,657

Item	Three Months Ended September 30, 2025		
	Before tax	Income tax benefit (expense)	After tax
Items that will not be reclassified subsequently to profit or loss：			
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	$947	$ -	$947
Subtotal	$947	$ -	$947
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign financial statements	$169,915	($33,983)	$135,932
Subtotal	$169,915	($33,983)	$135,932
Recognized in other comprehensive income (loss)	$170,862	($33,983)	$136,879

Item	Nine Months Ended September 30, 2026		
	Before tax	Income tax benefit (expense)	After tax
Items that will not be reclassified subsequently to profit or loss：			
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	($5,390)	$ -	($5,390)
Subtotal	($5,390)	$ -	($5,390)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign financial statements	$131,188	($26,237)	$104,951

Subtotal	$131,188	($26,237)	$104,951
Recognized in other comprehensive income (loss)	$125,798	($26,237)	$99,561

	Nine Months Ended September 30, 2025		
Item	Before tax	Income tax benefit (expense)	After tax
Items that will not be reclassified subsequently to profit or loss：			
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	($400)	$ -	($400)
Subtotal	($400)	$ -	($400)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign financial statements	($331,336)	$66,267	($265,069)
Subtotal	($331,336)	$66,267	($265,069)
Recognized in other comprehensive income (loss)	($331,736)	$66,267	($265,469)

(33) Earnings per share

	Three Months Ended September 30	
Item	2026	2025
(1) Basic earnings per share:		
Net income attributable to owners of the parent	$898,565	$694,301
Weighted average shares outstanding (in thousands)	286,040	272,540
Basic earnings per share (after tax)	$3.14	$2.55
(2) Diluted earnings per share:		
Net income attributable to owners of the parent	$898,565	$694,301
Effect of potential dilutive ordinary shares	-	-
Net income used in computation of diluted earnings per share	$898,565	$694,301
Weighted average shares outstanding (in thousands)	286,040	272,540
Impact on employees' compensation (Note)	196	189
Weighted average number of ordinary shares outstanding after dilution (in thousands)	286,236	272,729
Diluted earnings per share (after tax)	$3.14	$2.55

Item	Nine Months Ended September 30 2026	2025
(3) Basic earnings per share:		
Net income attributable to owners of the parent	$2,237,704	$1,540,574
Weighted average shares outstanding (in thousands)	282,281	272,930
Basic earnings per share (after tax)	$7.93	$5.65
(4) Diluted earnings per share:		
Net income attributable to owners of the parent	$2,237,704	$1,540,574
Effect of potential dilutive ordinary shares	-	-
Net income used in computation of diluted earnings per share	$2,237,704	$1,540,574
Weighted average shares outstanding (in thousands)	$282,281	272,930
Impact on employees' compensation (Note)	629	413
Weighted average number of ordinary shares outstanding after dilution (in thousands)	$282,910	273,343
Diluted earnings per share (after tax)	$7.91	$5.64

(Note) Since the Company offered to settle compensation paid to employees in cash or shares, the Company assumed the entire amount of the compensation would 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.

7. RELATED PARTY TRANSACTIONS

(1) Parent Company and ultimate controlling party:

The Group has no parent Company and ultimate controlling party.

(2) Related party name and category:

Related Party Name	Related Party Category
Shehng-Yuan Children Development and Adult Support Services Center	Other related party
Yo Yuan Investment Corporation	Other related party
Sunon Charity Foundation	Other related party
Suzhou Shengyixing Heat Transfer Technology Co., Ltd.	Associates
Tianmai Sunon Thermal Technology (Suzhou) Co., Ltd.	Associates

(3) Significant transactions with related parties:

A. Sales:

	Three months ended September 30	
Related Party Category	2026	2025
Other related party	$ -	$ -

	Nine months ended September 30	
Related Party Category	2026	2025
Other related party	$380	$ -

The sale price is equivalent to other customers, and the collection terms is 2-4 months. Except for the agreement of both parties to receive in advance.

B. Purchase:

	Three months ended September 30	
Related Party Category	2026	2025
Associates	$27,010	$28,293

	Nine months ended September 30	
Related Party Category	2026	2025
Associates	$95,112	$61,848

The purchase price is equivalent to other suppliers, and the payment period is 3-4 months. Except for the agreement of both parties to pay in advance and collect interest on the payment.

C. Contract assets: None.

D. Contract liabilities: None.

E. Balance of receivables (excluding lending to related parties and contract assets): None.

F. Balance of payables (excluding borrowing from related parties):

Item	Related Party Category	September 30, 2026	December 31, 2025	September 30, 2025
Account payable	Associates	$11,935	$24,601	$18,750
Other payables	Associates	$222	$20	$40

G. Advance receipts: None.

H. Property transactions: None.

I. Lessee arrangements: None.

J. Rent arrangements: None.

K. Financing activities - lending to related parties: None.

L. Financing activities - borrowing from related parties: None.

M. Guarantee for related parties: None.

N. Others:

a. Guarantee deposits

Related Party Category	September 30, 2026	December 31, 2025	September 30, 2025
Other related parties	$55	$55	$55

b. Miscellaneous income

	Three Months Ended September 30	
Related Party Category	2026	2025
Other related parties	$49	$49

	Nine Months Ended September 30	
Related Party Category	2026	2025
Associates	$3,412	$ -
Other related parties	147	146
Total	$3,559	$146

Miscellaneous income mainly consists of royalties and rent. Rent prices are based on to the contract agreements and received monthly.

c. Miscellaneous expenses:

	Three Months Ended September 30	
Related Party Category	2026	2025
Associates	$394	$223

	Nine Months Ended September 30	
Related Party Category	2026	2025
Associates	$2,159	$931

Miscellaneous expenses are R&D expenses.

(4) Key management compensation

	Three Months Ended September 30	
Item	2026	2025
Salaries and other short-term employee benefits	$47,427	$34,680
Share-based payments	-	-
Total	$47,427	$34,680

	Nine Months Ended September 30	
Item	2026	2025
Salaries and other short-term employee benefits	$121,194	$92,220
Share-based payments	1,518	-
Total	$122,712	$92,220

8. PLEDGED ASSETS

Item	September 30, 2026	December 31, 2025	September 30, 2025
Property, plant and equipment (net)	$496,858	$496,858	$496,858

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) As of September 30, 2026, December 31, 2025 and September 30, 2025, the Group issued guarantee notes for bank loans amounting to $2,392,600 thousand, $3,422,080 thousand and $3,388,110 thousand, respectively.

(2) The unused letters of credit issued by the Group were as follows:

(In thousands)

Item	September 30, 2026	December 31, 2025	September 30, 2025
L/C Amount	USD 3,443	USD 2,120	USD 1,942

(3) The note endorsement for material purchase were as follows:

(In thousands)

Item	September 30, 2026	December 31, 2025	September 30, 2025
Bank acceptance	USD 3,213	USD 2,985	USD 1,661

(4) As of September 30, 2026, the Group provided guarantees for others. Please refer to Note 13 for the information.

10. SIGNIFICANT DISASTER LOSS: NONE.

11. SIGNIFICANT SUBSEQUENT EVENTS: NONE.

12. OTHERS

(1) Seasonality or periodicity of operations

The operation of the Group's is not influenced by seasonality and periodicity.

(2) Capital risk management

There were no significant changes in the Group's policies for capital risk management for the nine months ended September 30, 2026 as compared with the consolidated financial statements for the year ended December 31, 2025. Please refer to Note 12(1) of the consolidated financial statements for the year ended December 31, 2025 for the related information.

(3) Financial instruments

A. Financial risk of financial instruments

Financial risk management policies

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's

financial performance.

The plans for material treasury activities are reviewed by board of directors in accordance with procedures required by relevant regulations or internal controls. During the implementation of such plans, the Group Treasury function must comply with certain treasury procedures that provide guiding principles for overall financial risk management and segregation of duties.

Significant financial risks and degrees of financial risks

a. Market risk

(a) Foreign exchange rate risk

There were no significant changes in the nature and degree of material financial risk for the nine months ended September 30, 2026 as compared with the consolidated financial statements for the year ended December 31, 2025. Please refer to Note 12(2) of the consolidated financial statements for the year ended December 31, 2025 for the related information.

(b) Foreign currency risk and sensitivity analysis (including consolidated elimination items and incompletely write-off of exchange rate risk)

	September 30, 2026					
				Sensitivity Analysis		
	Foreign Currency	Exchange Rate	Carrying Value (NTD)	Variation	Profit or Loss Impact	Equity Impact
Financial assets						
Monetary items						
USD:NTD	247,021	31.85	7,867,615	Increase 1%	78,676	-
EUR:NTD	9,204	36.15	332,717	Increase 1%	3,327	-
USD:RMB	142,331	6.7350	4,533,256	Increase 1%	45,333	-
USD:PHP	10,535	62.485	335,527	Increase 1%	3,355	-
Financial liabilities						
Monetary items						
USD:NTD	158,676	31.85	5,053,828	Increase 1%	(50,538)	-
USD:RMB	104,683	6.7350	3,334,162	Increase 1%	(33,342)	-
USD:PHP	18,733	62.485	596,654	Increase 1%	(5,967)	

	December 31, 2025					
				Sensitivity Analysis		
	Foreign Currency	Exchange Rate	Carrying Value (NTD)	Variation	Profit or Loss Impact	Equity Impact
Financial assets						
Monetary items						
USD:NTD	165,321	31.43	5,196,053	Increase 1%	51,961	-
EUR:NTD	6,686	36.9	246,717	Increase 1%	2,467	-
USD:RMB	118,612	7.0288	3,727,982	Increase 1%	37,280	-
USD:PHP	16,429	58.8026	516,373	Increase 1%	5,164	-

Financial liabilities						
Monetary items						
USD:NTD	115,501	31.43	3,630,209	Increase 1%	(36,302)	-
USD:RMB	80,319	7.0288	2,524,432	Increase 1%	(25,244)	-
USD:PHP	10,481	58.8026	329,426	Increase 1%	(3,294)	-

	September 30, 2025					
				Sensitivity Analysis		
	Foreign Currency	Exchange Rate	Carrying Value (NTD)	Variation	Profit or Loss Impact	Equity Impact
Financial assets						
Monetary items						
USD:NTD	173,386	30.4450	5,278,735	Increase 1%	52,787	-
EUR:NTD	6,771	35.7700	242,211	Increase 1%	2,422	-
RMB:NTD	24,036	4.2847	102,986	Increase 1%	1,030	-
USD:RMB	117,887	7.1055	3,589,084	Increase 1%	35,891	-
USD:PHP	8,805	58.0420	288,055	Increase 1%	2,881	-
Financial liabilities						
Monetary items						
USD:NTD	114,713	30.4450	3,492,443	Increase 1%	(34,924)	-
USD:RMB	78,568	7.1055	2,392,012	Increase 1%	(23,920)	-
USD:PHP	8,382	58.0420	255,186	Increase 1%	(2,552)	-

When New Taiwan dollar appreciates and other variation factors stay unchanged, there will be the same but opposite amount of influence as of September 30, 2026, December 31, 2025 and September 30, 2025.

The details of unrealized exchange gain (loss) for monetary items due to material exchange rate fluctuation were as follow:

	Nine Months Ended September 30, 2026			Nine Months Ended September 30, 2025		
	Foreign Exchange Gain (Loss)			Foreign Exchange Gain (Loss)		
	Foreign Currency (In thousands)	Exchange Rate	Carrying Amount (In thousands)	Foreign Currency (In thousands)	Exchange Rate	Carrying Amount (In thousands)
Financial Assets						
Monetary Items						
USD: NTD	-	31.756	2,160	-	31.1550	86,014
EUR: NTD	-	36.86	(4,635)	-	34.8600	5,978
RMB: NTD	-	4.6335	8,997	-	4.3487	1,672
USD: RMB	(8,678)	6.8535	(40,207)	(3,686)	7.1642	(16,030)
USD: EUR	19	0.8615	705	(16)	0.8937	(574)
USD: PHP	5,143	60.612	2,695	7,873	57.1120	4,302

Financial Liabilities						
Monetary Items						
USD: NTD	-	31.756	(60,170)	-	31.1550	(22,462)
USD: RMB	7,265	6.8535	33,663	3,280	7.1642	14,263
USD: EUR	(9)	0.8615	(345)	23	0.8937	808
USD: PHP	(21,449)	60.612	(11,237)	(9,651)	57.1120	(5,273)

b. Price risk

The Group is exposed to equity instrument price risk because the investments held by the Group are classified on the consolidated balance sheet as at fair value through profit or loss, or at fair value through other comprehensive income or loss.

The Group is exposed to beneficiary certificates. If the price of the Group's equity investments rises (or falls) 1%, the net income resulting from equity instruments at fair value through profit and loss will increase (or decrease) $4,649thousand and $1,713 thousand for the nine months ended September 30, 2026 and 2025, respectively. The other comprehensive income from equity instruments at fair value through other comprehensive income or loss will increase (or decrease) $248 thousand and $304 thousand for the nine months ended September 30, 2026 and 2025.

c. Interest rate risk

The carrying amount of the financial assets and liabilities that exposed interest rate risk as reporting date was as follow:

	Carrying Amount		
Item	September 30, 2026	December 31, 2025	September 30, 2025
Fair value interest rate risk:			
Financial assets	$82,969	$37,415	$ -
Financial liabilities	(409,279)	(340,697)	(271,981)
Net	($326,310)	($303,282)	($271,981)
Cash flow interest rate risk:			
Financial assets	$5,318,315	$5,248,461	$3,898,741
Financial liabilities	(859,405)	(1,198,552)	(780,205)
Net	$4,458,910	$4,049,909	$3,118,536

(a) Sensitivity analysis of fair value interest rate risk instrument

The Group does not classify any fixed-rate instruments as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income or loss. In addition, the Group does not designate derivatives (interest rate swap) as hedge instruments under hedge accounting. Therefore, the change of interest rate at reporting date does not have influence

on net income and other comprehensive income.

(b) Sensitivity analysis of cash flow interest rate risk instrument

The Group's financial instruments with variable interest rate are those with floating-rate. If interest rate increases 1%, the net income will increase $33,442 thousand and $23,389 thousand for the nine months ended September 30, 2026 and 2025, respectively.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a contract leading to a financial loss to the Group. The Group is exposed to credit risk from operating activities, primarily accounts receivables, and from investing activities, primarily deposit and other financial instruments. Credit risk is managed separately for business related and financial related exposures.

a. Business related credit risk

In order to maintain the credit quality of accounts receivables, the Group has established procedures to monitor and limit exposure to credit risk on trade receivables. Credit evaluation is performed in the consideration of the relevant factors which may affects the customer's paying ability such as financial condition, external and internal credit scoring, historical experience, and economic conditions.

b. Financial credit risk

The Group's exposure to financial credit risk which pertained to bank deposits and other financial instruments were evaluated and monitored by Group Treasury function. The Group only deals with creditworthy counterparties, banks, and government so that no significant credit risk was identified. In addition, the Group has no financial assets at amortized and investments in debt instruments at fair value through other comprehensive income.

(a) Credit concentration risk:

As of September 30, 2026, December 31, 2025 and September 30, 2025, the Group's ten largest customers accounted for 34.50%, 44.40% and 40.59% of accounts receivable, respectively. The Group believes the concentration of credit risk is insignificant for the remaining accounts receivable. The Group continuously evaluated customers' financial situation. To reduce major credit risk, the Group bought credit guarantee insurance, and asked customers to make payment in advance.

(b) Measured in expected credit loss

(i) Account receivables apply the simplified approach. Please prefer to Note 6(4) for details.

(ii) Indications for determining whether the credit risk is increased significantly: None (the Group does not have any debt instrument investments that are either measured at amortized cost, or at FVTOCI).

(c) Collaterals and other credit enhancement held to avoid credit risks from financial assets.

The following table shows the maximum exposure to credit risk regarding financial assets recognized in the consolidated balance sheets, pledged collateral, master netting arrangements and other credit enhancement held by the Group:

		Decrease Amount of Credit Risk Maximum Exposure			
September 30, 2026	Carrying Value	Collateral	Net Settlement Agreement	Other Credit Strengthening	Total
Financial instruments subject to IFRS 9 impairment requirements and derogated from credit	$ -	$ -	$ -	$ -	$ -
Financial instruments not subject to IFRS 9 impairment requirements:					
Financial assets at fair value through profit or loss	464,909	-	-	-	-
Financial assets at fair value through other comprehensive income or loss	24,834	-	-	-	-
Total	$489,743	$ -	$ -	$ -	$ -

		Decrease Amount of Credit Risk Maximum Exposure			
December 31, 2025	Carrying Value	Collateral	Net Settlement Agreement	Other Credit Strengthening	Total
Financial instruments subject to IFRS 9 impairment requirements and derogated from credit	$ -	$ -	$ -	$ -	$ -
Financial instruments not subject to IFRS 9 impairment requirements:					
Financial assets at fair value through other comprehensive income or loss	30,095	-	-	-	-
Total	$30,095	$ -	$ -	$ -	$ -

		Decrease Amount of Credit Risk Maximum Exposure			
September 30, 2025	Carrying Value	Collateral	Net Settlement Agreement	Other Credit Strengthening	Total
Financial instruments subject to IFRS 9 impairment requirements and derogated from credit	$ -	$ -	$ -	$ -	$ -
Financial instruments not subject to IFRS 9 impairment requirements:					
Financial assets at fair value through profit or loss	171,253	-	-	-	-
Financial assets at fair value through other comprehensive income or loss	30,359	-	-	-	-
Total	$201,612	$ -	$ -	$ -	$ -

C. Liquidity risk

a. Liquidity risk management:

There were no significant changes in the Group's objects and policies for liquidity risk management for the nine months ended September 30, 2026 as compared with the consolidated financial statements for the year ended December 31, 2025.

b. Financial liabilities with repayment periods:

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods.

	September 30, 2026					
Non-derivative Financial liabilities	Within 1 year	1-2 years	2-5 years	Over 5 years	Contract Cash Flow	Carrying Value
Short-term loans	$833,925	$ -	$ -	$ -	$833,925	$833,925
Notes payable	41,344	-	-	-	41,344	41,344
Accounts payable	5,708,326	-	-	-	5,708,326	5,708,326
Other payables	1,451,052	-	-	-	1,451,052	1,451,052
Long-term loans (Inclusive of current portion)	25,480	-	-	-	25,480	25,480
Lease liabilities	110,527	101,550	196,171	33,196	441,444	409,279
Guarantee deposits	898	-	-	-	898	898
Total	$8,171,552	$101,550	$196,171	$33,196	$8,502,469	$8,470,304

Further information for lease liabilities with repayment periods was as follows:

Item	Within 1 year	1-5 years	5-10 years	10-15 years	15-20 years	Over 20 years	Undiscounted payments
Lease liabilities	$110,527	$297,721	$33,196	$ -	$ -	$ -	$441,444

	December 31, 2025					
Non-derivative Financial liabilities	Within 1 year	1-2 years	2-5 years	Over 5 years	Contract Cash Flow	Carrying Value
Short-term loans	$469,518	$ -	$ -	$ -	$469,518	$469,518
Notes payable	40,123	-	-	-	40,123	40,123
Accounts payable	4,530,263	-	-	-	4,530,263	4,530,263
Other payables	1,453,969	-	-	-	1,453,969	1,453,969
Long-term loans	116,534	175,000	437,500	-	729,034	729,034
(Inclusive of current portion)						
Lease liabilities	91,892	74,801	177,620	24,637	368,950	340,697
Guarantee deposits	878	-	-	-	878	878
Total	$6,703,177	$249,801	$615,120	$ 24,637	$7,592,735	$7,564,482

Further information for lease liabilities with repayment periods was as follows:

Item	Within 1 year	1-5 years	5-10 years	10-15 years	15-20 years	Over 20 years	Undiscounted payments
Lease liabilities	$91,892	$252,421	$24,637	$ -	$ -	$ -	$368,950

Non-derivative Financial liabilities	September 30, 2025					
	Within 1 year	1-2 years	2-5 years	Over 5 years	Contract Cash Flow	Carrying Value
Short-term loans	$364,200	$ -	$ -	$ -	$364,200	$364,200
Notes payable	39,467	-	-	-	39,467	39,467
Accounts payable	4,319,151	3	373	-	4,319,527	4,319,527
Other payables	1,185,843	204	60	-	1,186,107	1,186,107
Long-term loans (Inclusive of current portion)	30,005	96,500	289,500	-	416,005	416,005
Lease liabilities	90,293	55,552	131,361	16,366	293,572	271,981
Guarantee deposits	1,263	-	-	-	1,263	1,263
Total	$6,030,222	$152,259	$421,294	$16,366	$6,620,141	$6,598,550

Further information for lease liabilities with repayment periods was as follows:

Item	Within 1 year	1-5 years	5-10 years	10-15 years	15-20 years	Over 20 years	Undiscounted payments
Lease liabilities	$90,293	$186,913	$16,366	$ -	$ -	$ -	$293,572

The Group does not expect a maturity analysis of which the cash flows timing would be significantly earlier, or the actual amount would be significantly different.

2. Categories of financial instruments

The carrying value of financial assets and liabilities of the Group was as follows:

Financial assets	September 30, 2026	December 31, 2025	September 30, 2025
Financial assets measured at amortized cost			
Cash and cash equivalents	$5,327,639	$5,256,400	$3,901,280
Notes and accounts receivable	6,238,067	5,217,454	5,277,189
Other receivables	167,117	195,051	158,240
Other financial assets - current	47,290	-	-
Refundable deposits	39,961	31,039	34,450
Financial asset at fair value through profit or loss - current	464,909	-	-
Financial asset at fair value through profit or loss - noncurrent	-	-	171,253
Financial asset at fair value through other comprehensive income or loss – noncurrent	24,834	30,095	30,359
Financial liabilities			
Financial liabilities measured at amortized cost			
Short-term loans	833,925	469,518	364,200
Notes and accounts payable (including related parties)	5,749,670	4,570,386	4,358,994
Other payables (including related parties)	1,451,052	1,453,969	1,186,107

Lease liabilities(including current and noncurrent)	409,279	340,697	271,981
Long-term loans	25,480	729,034	416,005
Guarantee deposits	898	878	1,263

(4) Fair value information

A. Details of the fair value of the Group’s financial assets and financial liabilities not measured at fair value are provided in Note 12(4) C. Details of the fair value of the Group's investment properties measured at cost are provided in Note 6(12).

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

Level 1: Quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group’s investment in listed stocks, beneficiary certificates, on-the-run Taiwan central government bonds and derivative instruments with quoted market prices is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group’s investments in government bonds, corporate bonds, financial debentures, convertible bonds, and most derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investments in some derivative instruments and equity instruments without active market is included in level 3.

C. Financial instruments that are not measured at fair value

The Group considers that the carrying amounts of financial instruments including cash and cash equivalents, receivables, other financial assets, refundable deposits, short-term loans, payables, long-term loans and guarantee deposits that are not measured at fair value approximate their fair values.

D. The related information of fair value by level

The related information of financial instruments measured at fair value on a recurring basis by level is as follows:

	September 30, 2026			
Item	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through profit or loss:				
Beneficiary certificate	$464,909	$ -	$ -	$464,909
Financial assets at fair value through other comprehensive income or loss				
Domestic unlisted stocks	-	-	24,834	24,834
Total	$464,909	$ -	$24,834	$489,743

	December 31, 2025			
Item	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income or loss				
Domestic unlisted stocks	$ -	$ -	$30,095	$30,095
Total	$ -	$ -	$30,095	$30,095

	September 30, 2025			
Item	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through profit or loss:				
Beneficiary certificates	$ -	$ -	$171,253	$171,253
Financial assets at fair value through other comprehensive income or loss				
Domestic unlisted stocks	-	-	30,359	30,359
Total	$ -	$ -	$201,612	$201,612

E. Valuation techniques of financial instruments valued at fair value:

(a) The fair value of financial assets and liabilities traded in an active market is based

on the quoted market prices. The quotation, which is published by the main exchange center or that which was deemed to be a public bond by the Treasury Bureau of Center Bank, is included in the fair value of the listed securities instruments and the debt instruments in active markets with open bid.

A financial instrument is regarded as the quoted price in an active market if the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency; and if those prices represent the actual and regularly occurring market transactions on an arm's length basis. Otherwise, the market is deemed to be inactive. Normally, a market is considered to be inactive when the bid-ask spread is increasing; or the bid-ask spread varies significantly; or there has been a significant decline in trading volume.

(b) Except for the above-mentioned financial instruments traded in an active market, the fair value is based on the valuation techniques or the quotation from the counterparty. The fair value refers to the current fair value of the other financial instruments with similar conditions and characteristics, using a discounted cash flow analysis or other valuation techniques, such as calculations of using models, based on the information acquired from the market at the balance sheet date.

When the financial instrument of the Group is not traded in an active market, the fair value is determined based on the ratio of the quoted market price of the comparative company, its book value per share and its operating situation. Also, the fair value is discounted for its lack of liquidity in the market.

The assets measured by the fair value of the third level of the fair value hierarchy of the Group are used to measure the significant unobservable inputs of fair value.

September 30, 2026:

Item	Evaluation technology	Check the input value	interval	Input value and fair value relationship
Financial assets at fair value through other comprehensive income or loss - Stocks	Market Approach	Lack of liquidity discount rate	15.27%-21.99%	The higher the degree of lack of liquidity, the lower the fair value estimate

December 31, 2025:

Item	Evaluation technology	Check the input value	interval	Input value and fair value relationship
Financial assets at fair value through other comprehensive income or loss - Stocks	Market Approach	Lack of liquidity discount rate	16.21%-21.99%	The higher the degree of lack of liquidity, the lower the fair value estimate

September 30, 2025:

Item	Evaluation technology	Check the input value	interval	Input value and fair value relationship
Financial assets at fair value through profit or loss-Convertible bonds	Income Approach	Discount rate	6.59%	The higher the degree of discount rate, the lower the fair value estimate
Financial assets at fair value through other comprehensive income or loss - Stocks	Market Approach	Lack of liquidity discount rate	15.80%-21.87%	The higher the degree of lack of liquidity, the lower the fair value estimate

F. There was no transfer between Level 1 and Level 2 for the nine months ended September 30, 2026 and 2025

G. Statement of changes in Level 3 fair value hierarchy:

	Investment in unquoted financial instruments	
	Year Ended September 30	
Item	2026	2025
Beginning balance	$30,095	$204,719
Distribution of capital surplus	-	(652)
Recognized in income	-	(1,917)
Recognized in other comprehensive income	(5,390)	(400)
Effect of foreign currency exchange differences	129	(138)
Ending balance	$24,834	$201,612

H. Valuation process for Level 3 fair value measurement:

Valuation process regarding fair value Level 3 is conducted, by which the independence of fair value of financial instruments is verified though use of independent data source in order to make the valuation results close to market conditions. Such valuation results are regularly reviewed so as to ensure their reasonableness.

(5) Transfer of financial assets: None.

(6) Offset of financial assets and liabilities: None.

(7) Other：

On August 29, 2024, the Ministry of Environment issued the Regulations Governing the Collection of Carbon Fees, the Management Regulations for Voluntary Greenhouse Gas Reduction Projects, and the Designated GHG Emissions Reduction Goals for Entities Subject to Carbon Fees. In October 2024, the Ministry further announced the implementation of carbon fee rates effective January 1, 2025. Based on the Company’s expected greenhouse gas emissions for the year ending December 31, 2026, management has assessed that the Company’s emissions will not exceed the regulatory thresholds for carbon fee assessment. Accordingly, no liability related to carbon emissions for the third quarter of 2026 was recognized.

13. SUPPLEMENTARY DISCLOSURES

A. Information on significant transactions (before consolidated elimination)
   a. Loans provided to other parties: Table 1
   b. Endorsement/guarantee provided: Table 2
   c. Material securities held at the end of the period: Table 3
   d. Total purchases from or sales to related parties of at least NT$100 million or 20% of the paid-in capital: Table 4
   e. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 5
   f. The business relationship between the parent and the subsidiaries and significant transactions between them: Table 6

B. Information on investees (before consolidated elimination): Table 7

C. Information on investments in Mainland China (before consolidated elimination): Table 8

Table 1

SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD. AND SUBSIDIARIES

LOANS PROVIDED TO OTHER PARTIES

SEPTEMBER 30, 2026

(Amounts in Thousands of New Taiwan Dollars and Foreign Currencies)

No.	Financing Company	Counterparty	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance (Note 4)	Amount Actually Drawn	Interest Rate	Nature for Financing (Note 3)	Transaction Amounts	Reason for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company (Note 1)	Financing Company's Total Financing Amount Limits (Note 2)
													Item	Value		
1	Sunon Electronics Philippines Corp.	Brilliant Fast Properties Corp.	Other receivables	No	35,679 (PHP 70,000)	35,679 (PHP 70,000)	35,679 (PHP 70,000)	9%	1	51,317	NA	-	-	-	51,317	177,258

Note 1: Financing limits for each borrowing company:

(1) For trading partner, the total amount of the loan shall not exceed 20% of the company's net worth；
The individual loan amount shall not exceed the purchase or sales amount or the contract amount as signed for the business operations between the two parties in the most recent year.

(2) For short-term financing, the total amount of the loan shall not exceed 20% of the company's net worth；
The individual loan amount shall not exceed 10% of the Company's net worth.

Note 2: The maximum balance of financing activitives:

(1) The total amount of the loan shall not exceed 40% of the net worth of the loan enterprise.

(2) The policy for loans granted mutually between overseas subsidiaries of which the Company directly or indirectly holds 100% of their voting shares is as follows:
The maximum amount for total loan for individual enterprise shall not exceed 50% of its net worth.。

Note 3: The code represents the nature of financing activities as follows:

(1) Related to trading partner is "1".

(2) Short-term financing is "2".

Note 4: The maximum amount was approved by the Board of Directors' meeting.

Table 2

SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED

SEPTEMBER 30, 2026

(Amounts in Thousands of New Taiwan Dollars and Foreign Currencies)

No. (Note 1)	Endorser	Endorsee		Endorsement Limit for a Single Entity (Note 3)	Highest Balance During the Period	Ending Balance	Actual Amount Drawn	Balance Secured by Collaterals	Ratio of Accumulated Amount to Net Worth of the Company	Maximum Amount of Endorsement (Note 4)	Provision of Endorsements by Parent Company to Subsidiary	Provision of Endorsements by Subsidiary to Parent Company	Provision of Endorsements to the Party in Mainland China
		Company Name	Relationship (Note 2)										
0	Sunonwealth Electric Machine Industry Co., Ltd.	Sunon Electronic (Kunshan) Co., Ltd.	2	3,427,163	NTD 94,580 (RMB 20,000)	-	-	-		5,711,939	Y	N	Y
0	Sunonwealth Electric Machine Industry Co., Ltd.	Sunon Electronic (Bei Hai) Co., Ltd.	2	3,427,163	NTD 283,740 (RMB 60,000)	NTD 283,740 (RMB 60,000)	-	-	2..48%	5,711,939	Y	N	Y
0	Sunonwealth Electric Machine Industry Co., Ltd.	Bei hai Li Zhun Electronic Co., Ltd.	2	3,427,163	NTD 522,130 (USD 6,000; RMB 70,000)	NTD 427,550 (USD 6,000; RMB 50,000)	NTD 141,870 (RMB 30, 000)	-	3.74%	5,711,939	Y	N	Y
1	Sunon Electronic (Bei Hai) Co., Ltd.	Bei hai Li Zhun Electronic Co., Ltd.	1	216,239	NTD 47,290 (RMB 10,000)	-	-	-	-	540,598	N	N	Y

Note 1: The description of the number column is as follows:

(1) The issuer is represented in 0.

(2) The investee company is numbered sequentially from Arabic numeral 1.

Note 2: The following code represents the relationship with the Company:

1. Trading partner.

2. Majority owned subsidiary.

3. The Company directly and indirectly owns over 50% ownership of the investee company.

4. A subsidiary jointly owned over 90% by the Company.

5. Guaranteed by the Company according to the construction contract.

6. An investee company. The guarantees were provided based on the Company's proportionate share in the investee company.

7. Joint and several guaranteed by the Company according to the pre-construction contract under Consumer Protection Act.

Note 3: Endorsements/guarantees provided by the Company to a single enterprise and a single foreign affiliate shall not exceed 20% and 30% of the Company’s net worth, respectively.

Note 4: The maximum amount of the endorsements/guarantees provided by the Company shall not exceed 50% of the Company’s net worth.

Table 3

SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD. AND SUBSIDIARIES

MATERIAL SECURITIES HELD AT THE END OF THE PERIOD

SEPTEMBER 30, 2026

(Amounts in Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Securities Issuer	Financial Statement Account	Ending Balance				Note
				Number of Shares (in thousands)	Carrying Value	Percentage of Ownership	Fair Value	
Sunon wealth Electric Machine Industry Co., Ltd.	Stock – TECHNOLOGY ON PROTOTYPING ULTIMATE CO., LTD	The Company is the legal director of that company	Financial assets at fair value through other comprehensive income or loss-noncurrent	870	22,665	15.68%	22,665	
Sunon Electronic (Kunshan) Co., Ltd.	Stock – ACP HEAT TRANSFER TECH WUXI CO LTD	None	Financial assets at fair value through other comprehensive income or loss-noncurrent	-	2,169	10.00%	2,169	
Bei hai Li Zhun Electronic Co., Ltd.	Fund – CHINA RESOURCES YUANTA CASH CURRENCY MARKET FUND CLASS B	None	Financial assets at fair value through profit or loss-current	-	464,909	-	464,909	

Table 4

SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT LEAST

NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL

SEPTEMBER 30, 2026

(Amounts in Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationships	Transaction Details				Abnormal Transaction		(Notes/Accounts Payable) Or Receivable		Remarks
			Purchases/ Sales	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Sunonwealth Electric Machine Industry Co., Ltd.	Sunon Electronic (Bei Hai) Co., Ltd.	Subsidiary	Sales	1,017,867	7.70%	3 to 4 months	-	-	1,293,441	21.09%	
Sunonwealth Electric Machine Industry Co., Ltd.	Sunon INC	Subsidiary	Sales	205,949	1.56%	2 to 3 months	-	-	52,688	0.86%	
Sunonwealth Electric Machine Industry Co., Ltd.	Bei hai Li Zhun Electronic Co., Ltd.	Subsidiary	Sales	314,668	2.38%	3 to 4 months	-	-	232,675	3.79%	
Sunonwealth Electric Machine Industry Co., Ltd.	SUNON ELECTRONICS PHILIPPINES CORP.	Subsidiary	Sales	113,688	0.86%	2 to 3 months			81,279	1.33%	
Sunon Electronic (Kunshan) Co., Ltd.	Sunonwealth Electric Machine Industry Co., Ltd.	Parent	Sales	1,704,766	39.16%	3 to 4 months	-	-	505,761	31.38%	
Sunon Electronics (Bei Hai) Co., Ltd.	Sunonwealth Electric Machine Industry Co., Ltd.	Parent	Sales	6,217,915	97.43%	3 to 4 months	-	-	2,320,742	96.14%	
Bei Hai Li Zhan Electronics Co., Ltd.	Sunon Electronic (Kunshan) Co., Ltd.	The ultimate parent company	Sales	662,092	19.14%	3 to 4 months	-	-	343,836	25.06%	
	Sunon Electronics (Bei Hai) Co., Ltd.	The ultimate parent company	Sales	132,393	3.83%	3 to 4 months			52,105	3.80%	

	Sunon Electronics Philippines Corp.	The ultimate parent company	Sales	544,086	15.73%	3 to 4 months	-	-	305,502	22.27%	
SUNON ELECTRONICS PHILIPPINES CORP.	Sunonwealth Electric Machine Industry Co., Ltd.	Parent	Sales	899,415	100.00%	2 to 3 months	-	-	231,389	100.00%	

Note: The above-mentioned parent-subsidiary transactions have been eliminated.

Table 5

SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD. AND SUBSIDIARIES

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

SEPTEMBER 30, 2026

(Amounts in Thousands of New Taiwan Dollar and Foreign Currencies)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period (Note1)	Allowance for Impairment Loss
					Amount	Action Taken		
Sunonwealth Electric Machine Industry Co., Ltd.	Sunon Electronic (Bai Hai) Co., Ltd.	Subsidiary	NTD 1,293,441	3.22	-	-	NTD 273,563	-
Sunonwealth Electric Machine Industry Co., Ltd.	Bei hai Li Zhun Electronic Co., Ltd.	Subsidiary	NTD 232,675	3.08	-	-	NTD 41,008	-
Sunon Electronic (Kunshan) Co., Ltd.	Sunonwealth Electric Machine Industry Co., Ltd.	Parent	NTD 505,761 (RMB 106,950)	4.24	-	-	NTD 185,217 (RMB 39,166)	-
Sunon Electronic (Bei Hai) Co., Ltd.	Sunonwealth Electric Machine Industry Co., Ltd.	Parent	NTD 2,320,742 (RMB 490,747)	4.21	-	-	NTD 833,313 (RMB 176,213)	-
Bei Hai Li Zhan Electronics Co., Ltd.	Sunon Electronic (Kunshan) Co., Ltd.	The ultimate parent company	NTD 343,836 (RMB 72,709)	2.56	-	-	NTD 63,122 (RMB 13,348)	
Bei Hai Li Zhan Electronics Co., Ltd.	SUNON ELECTRONICS PHILIPPINES CORP.	The ultimate parent company	NTD 305,502 (RMB 64,602)	2.93	-	-	NTD 82,085 (RMB 17,358)	-
SUNON ELECTRONICS PHILIPPINES CORP.	Sunonwealth Electric Machine Industry Co., Ltd.	Parent	NTD 231,389 (PHP 453,971)	5.40	-	-	NTD 117,903 (PHP 231,318)	

Note 1: Amounts collected as of November 6, 2026.

Note 2: The above-mentioned parent-subsidiary transactions have been eliminated.

Table 6

SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS

SEPTEMBER 30, 2026

Individual transactions that amount to less than $50,000 thousand are not disclosed; disclose the asset or revenue side only. No further disclosure is needed on the opposing side of the same transaction.

(Amounts in Thousands of New Taiwan Dollars)

No. (Note 1)	Company Name	Counter Party	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount	Terms (Note 4)	Percentage of Consolidated Total Revenue or Assets (Note 3)
0	Sunonwealth Electric Machine Industry Co., Ltd.	Bei hai Li Zhun Electronic Co., Ltd.	1	Sales	314,668	(Note4)	1.90%
				Accounts receivable	232,675		1.11%
		Sunon SAS	1	Sales	87,577	(Note4)	0.53%
		Sunon INC	1	Sales	205,949	(Note4)	1.24%
				Accounts receivable	52,688		0.25%
		SunonElectronic (BaiHai) Co., Ltd.	1	Sales	1,017,867	(Note4)	6.14%
				Accounts receivable	1,293,441		6.15%
		Sunon Electronic (Kunshan) Co., Ltd.	1	Sales	71,264	(Note4)	0.43%
		SUNON ELECTRONICS PHILIPPINES CORP.	1	Sales	113,688	(Note4)	0.69%
				Accounts receivable	81,279		0.39%
1	Sunon Electronic (Kunshan) Co., Ltd.	Sunonwealth Electric Machine Industry Co., Ltd.	2	Sales	1,704,766	(Note4)	10.28%
				Accounts receivable	505,761		2.40%
2	Sunon Electronic (BeiHai) Co., Ltd.	Sunonwealth Electric Machine Industry Co., Ltd.	2	Sales	6,217,915	(Note4)	37.50%
				Accounts receivable	2,320,742		11.03%
		SUNON ELECTRONICS PHILIPPINES CORP.	2	Sales	72,701	(Note4)	0.44%

3	Bei Hai Li Zhan Electronics Co., Ltd.	Sunon Electronic (Kunshan) Co., Ltd.	3	Sales Accounts receivable	662,092 343,836	(Note4)	3.99% 1.63%
		Sunon Electronic (BeiHai) Co., Ltd.	3	Sales Accounts receivable	132,393 52,105	(Note4)	0.80% 0.25%
		SUNON ELECTRONICS PHILIPPINES CORP.	3	Sales Accounts receivable	544,086 305,502	(Note4)	3.28% 1.45%
4	SUNON ELECTRONICS PHILIPPINES CORP.	Sunonwealth Electric Machine Industry Co., Ltd.	2	Sales Accounts receivable	899,415 231,389	(Note4)	5.42% 1.10%
5	SUNON SAS	Sunonwealth Electric Machine Industry Co., Ltd.	2	Other income	66,520	(Note4)	0.40%

Note 1: The description of the number column is as follows:

(1) The issuer is represented in 0.

(2) The investee company is numbered sequentially from Arabic numeral 1.

Note 2: There are three types of relationships with traders. The type of mark is as follows:

(1) No. 1 represents the transactions from parent company to subsidiary.

(2) No. 2 represents the transactions from subsidiary to parent company.

(3) No. 3 represents the transactions between subsidiaries.

Note 3: The ratio of transaction amount to consolidated revenues or total assets is calculated as follows:

(1) Asset/liability items: Ending balance to total assets;

(2) Profit and loss items: Accumulated amount to consolidated revenues.

Note 4: The prices and terms to related parties were not significantly different from transactions with third parties, except for particular transactions with no similar transactions to compare with. For these transactions, the prices and terms were determined in accordance with mutual agreements.

Note 5: The above-mentioned parent-subsidiary transactions have been eliminated.

Table 7

SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD. AND SUBSIDIARIES

NAMES, LOCATIONS AND OTHER INFORMATION OF INVESTEE COMPANIES (EXCLUDING INVESTEE IN MAINLAND)

September 30, 2026

(Amounts in Thousands of New Taiwan Dollars and Foreign Currencies)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of September 30, 2026			Net Income (Loss) of the Investee	Share of Profit/Loss of Investee	Remark
				As of September 30, 2026	As of December 31, 2025	Shares (In Thousands)	Percentage of Ownership	Carrying Value			
Sunonwealth Electric Machine Industry Co., Ltd.	Successful Century Co., Ltd.	British Virgin Islands	Investments	1,136,933	1,136,933	33,880	100.00%	1,990,244	272,515	271,592	-
	BVI Sunon International Limited	British Virgin Islands	Investments	510,928	510,928	-	100.00%	1,565,648	608,619	586,188	-
	Sunon INC	USA	Manufacturing and sales of fans	49,140	49,140	150	100.00%	128,801	968	546	-
	Sunon SAS	France	Manufacturing and sales of fans	16,127	16,127	50	100.00%	84,680	(1,860)	(3,307)	-
	Sunonwealth Electric Machine Ind.(H.K.) Ltd.	Hong Kong	Manufacturing and sales of fans	3,428	3,428	800	99.99%	1,761	(55)	(55)	-
	Sunon Corporation	Japan	Manufacturing and sales of fans	4,470	4,470	4	100.00%	1,376	(41)	(41)	-
	Sunon Electronics India Private Limited	India	Manufacturing and sales of fans	4,880	4,880	1,100	99.99%	5,497	406	406	-
	Sunon Electronics Philippines Corp.	Philippines	Manufacturing and sales of fans	736,738	577,773	13,488	99.99%	578,374	(701)	(1,056)	-
	Sunon Properties Philippines Corp.	Philippines	Real estate development and investment	1,407,420	1,407,420	25,169	99.99%	1,249,669	6,279	6,279	-
	Tianmai SUNON Thermal Technology (Suzhou) Co., Ltd.	China	Manufacturing and selling of new type electronic parts	80,406	31,129	-	35.00%	79,066	(10,238)	(3,583)	-

	Sunon Cooling Technology (Thailand) Co., Ltd	Thailand	Manufacture and sales of heat dissipation modules and import and wholesale of various eletronic and motor components	5,354	2,003	550	100.00%	4,780	(317)	(317)	-
			Total					5,689,896	875,575	856,652	
Successful Century Co., Ltd.	Sunon Electronic (Kunshan) Co., Ltd.	China	Manufacturing and sales of fans	USD 34,431	USD 34,431	-	100.00%	USD 64,924	USD 8,585	USD 8,585	-
Sunon Electronic (Kunshan) Co., Ltd.	Suzhou Shengyixing Heat Transfer Technology Co., Ltd.	China	Manufacturing and selling of cooling equipment	RMB 6,188	RMB 6,188	-	49.00%	RMB 1,371	RMB (2,400)	RMB (1,176)	-
	Beihai Li Zhun Electronics Co., Ltd.	China	Manufacturing and selling of fans	RMB 20,000	RMB 20,000	-	33.33%	RMB 70,632	RMB 77,477	RMB25,826	-
	Sunon Cooling Technology(Huizhou)Co., Ltd	China	Manufacturing and selling of liquid cooling heat dissipation related products	RMB80,000	RMB 40,000	-	100.00%	RMB 63,142	RMB (10,047)	RMB(10,047)	-
BVI Sunon International Limited	Sunon Electronic (Foshan) Co., Ltd.	China	General investment and trade	RMB 390	RMB 390	-	100.00%	RMB 144,776	RMB 51,666	RMB 51,666	-
	Sunon Electronic (Bei Hai) Co., Ltd.	China	Manufacturing and selling of new type electronic parts	RMB 63,732	RMB 63,732	-	100.00%	RMB 228,631	RMB79,715	RMB 79,715	-
Sunon Electronic (Foshan) Co., Ltd.	Beihai Li Zhun Electronics Co., Ltd.	China	Manufacturing and selling of fans	RMB 40,000	RMB 40,000	-	66.67%	RMB 141,265	RMB 77,477	RMB51,651	-
Sunon SAS	Sunon Deutschland GmbH	Germany	Sales of fans	EUR 25	EUR 25	-	100.00%	EUR 127	EUR 211	EUR 211	-

Note：The above-mentioned parent-subsidiary transactions have been eliminated.

Table 8

SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

SEPTEMBER 30, 2026

（1）Mainland Investment Information:

(Amounts in Thousands of New Taiwan Dollars and Foreign Currencies)

Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of January 1, 2026	Investment Flows		Accumulated Outflow of Investment from Taiwan as of September 30, 2026	Net Income (Loss) of the Investee Company	Percentage of Ownership	Share of Profit/Loss (Note 2)	Carrying Amount as of September 30, 2026	Accumulated Inward Remittance of Earnings as of September 30, 2026
					Outflow	Inflow						
Sunon Electronic (Kunshan) Co., Ltd.	Manufacturing and selling of fans	NTD 1,148,456 (USD 34,431) (Note 6)	(2)	NTD 1,136,673 (USD33,880)	-	-	NTD1,136,673 (USD 33,880)	NTD 272,627 (USD 8,585)	100%	NTD272,627 (USD 8,585) (2).B	NTD 2,067,813 (USD 64,924)	NTD 1,694,548 (USD 55,297)
Sunon Electronic (Foshan) Co., Ltd.	General investment and trade	NTD 1,617 (USD 50) (Note 7)	(2)	NTD 155,809 (USD 4,630)	-	-	NTD 155,809 (USD 4,630)	NTD 239,395 (RMB 51,666)	100%	NTD 239,395 (RMB 51,666) (2).C	NTD 684,646 (RMB 144,776)	NTD 1,021,184 (USD 33,935)
Sunon Electronic (Bei Hai) Co., Ltd.	Manufacturing and selling of new type electronic parts	NTD 293,115 (USD 10,000)	(2)	NTD 293,115 (USD 10,000)	-	-	NTD 293,115 (USD 10,000)	NTD 369,360 (RMB 79,715)	100%	NTD 369,360 (RMB 79,715) (2).B	NTD1,081,195 (RMB 228,631)	NTD 2,054,562 (USD 67,020)
Tianmai SUNON Thermal Technology (Suzhou) Co., Ltd.	Manufacturing and selling of new type electronic parts	NTD 229,730 (RMB 50,000)	(1)	NTD 31,129 (RMB 7,000)	NTD 49,277 (RMB 10,500)	-	NTD 80,406 (RMB 17,500)	NTD -10,238 (RMB -2,210)	35%	NTD -3,583 (RMB -773) (2).C	NTD 79,066 (RMB 16,719)	-
Suzhou Shengyixing Heat Transfer Technology Co., Ltd.	Manufacturing and selling of cooling equipment	NTD 51,983 (RMB 12,000)	(3)	- (Note 5)	-	-	- (Note 5)	NTD -11,122 (RMB -2,400	49%	NTD -5,450 (RMB -1.,176) (2).C	NTD 6,486 (RMB 1,371)	-
Beihai Li Zhun Electronic Co., Ltd.	Manufacturing and selling of fans	NTD 265,311 (RMB 60,000)	(3)	- (Note 8)	-	-	- (Note 8)	NTD 358,992 (RMB 77,477)	100%	NTD 358,992 (RMB 77,477) (2).C	NTD 1,002,060 (RMB 211,897)	-
Sunon Cooling Technology (Huizhou)Co., Ltd.	Manufacturing and selling of liquid cooling heat dissipation related products	NTD 361,385 (RMB 80,000)	(3)	- (Note 5)	-	-	- (Note 5)	NTD -46,555 (RMB -10,047)	100%	NTD -46,555 (RMB -10,047) (2).B	NTD 298,600 (RMB 63,142)	-

Accumulated Investment in Mainland China as of September 30, 2026	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
NTD 1,136,673 (USD 33,880)	USD 34,000	(Note 4)
NTD 155,809 (USD 4,630)	USD 5,450	
NTD 293,115 (USD 10,000)	USD 10,000	
NTD 80,406 (RMB 17,500)	RMB 21,000	

Note: Gain and loss on investment are translated using average exchange rates for the nine months ended September 30, 2026 (USD:NTD 1: 31.756; CNY:NTD 1:4.6335). Additions and ending balance are translated using the exchange rates as at September 30, 2026 (USD:NTD 1: 31.85; CNY:NTD 1: 4.729)

Note 1: The investment methods are divided into the following three types:

(1) Investing directly to the Mainland China;

(2) Reinvesting in the Mainland China through third-region companies (please refer to Table 6);

(3) Others.

Note 2: In the current period, the investment profit and loss column is recognized:

(1) If during incorporation with no investment income or loss, it should be indicated;

(2) The basis for recognition of investment gains and losses divided into the following three types, which should be indicated:

A. Audited financial statements by international accounting firms with cooperation relationship with accounting firms in the Republic of China.

B. Audited financial statements by parent company's auditors.

C. Others.

Note 3: The relevant figures in this form should be listed in New Taiwan Dollars.

(2) The Group's major transactions for the nine months ended September 30, 2026 directly or indirectly through the third place and the mainland invested company are listed as follows:

1. Financing between the Company and investees in China: None.
2. Endorsement and guarantee provided by the Company for investees in China: Table 2 attached in Note 13.
3. Significant transactions between the Company and investees in China: Table 4 attached and Table 5 attached and Table 6 attached in Note 13.

Note 4: Enterprises approved by the Ministry of Economic Affairs as the operational headquarters are not subject to the amount or proportion.

Note 5: It is invested by Sunon Electronic (Kunshan) Co., Ltd.

Note 6: The Board of Directors of Sunon Electronic (Kunshan) Co., Ltd., resolved on March 15, 2021 to increase capital out of retained earnings for USD 431 thousand, and completed registration on March 25, 2021.

Note 7: The Board's of directors of Sunon Electronic (Foshan) Co., Ltd. approved in January 2021 to reduce capital by cash return for USD 13,660 thousand. Issued capital after capital reduction was USD 10,000 thousand. Company registration was completed. The Board of directors of Sunon Electronic (Foshan) Co., Ltd. approved in March 9, 2022 to reduce capital to offset accumulated deficits for USD 5,400 thousand. Issued capital after capital reduction was USD 4,600 thousand. Company registration was completed. The Board's of directors of Sunon Electronic (Foshan) Co., LTD. Approved in June 2023 to reduce capital by cash return for USD 2,000 thousand. Issued capital after reduction was USD 2,600 thousand.Company registration was completed. The Board's of directors of Sunon Electronic (Foshan) Co., Ltd. approved in May 2024 to reduce capital by cash return for USD 2,550 thousand. Issued capital after capital reduction was USD 50 thousand. Company registration was completed.

Note 8: It is invested by Sunon Electronic (Foshan) Co., Ltd. and Sunon Electronic (Kunshan) Co., Ltd.

Note 9: The above-mentioned parent-subsidiary transactions have been eliminated.

14.SEGMENT INFORMATION

(1) General information

The Group's reportable segments represent the strategic business units that sell products to different areas, have revenue as well as occur expenses. The chief operating decision-maker manages and supervises the reportable segments separately because each segment needs different product and marketing strategies, and then to allocate resources and assess segment performance. The Company's reportable segments are as follows:

A. Great China: Mainly engaging business in Taiwan and China.

B. Europe and North America: Mainly engaging business in America and Europe.

C. Other: In addition to the above areas.

(2) Measurement Basis

The Group uses profit before income tax as the measurement for segment profit and the basis of performance assessment. The accounting policies of the operating segments and the accounting policies described in Note 4 of the consolidated financial statements are the same.

(3) Segment financial information

(In thousands)

Three Months Ended September 30, 2026	Great China	Europe and North America	Other Areas	Elimination	Total
Sales from external customers	$5,987,768	$154,742	$ -	$ -	$6,142,510
Sales among inter-segment	4,095,626	-	308,923	(4,404,549)	-
Total sales	$10,083,394	$154,742	$308,923	($4,404,549)	$6,142,510
Operating profit (loss)	$1,508,106	$13,818	$19,436	($384,825)	$1,156,535
Segment assets	$ -	$ -	$ -	$ -	$21,032,111
Segment liabilities	$ -	$ -	$ -	$ -	$9,608,233

a. Total reporting segment sales should eliminate inter-segment sales of $4,404,549thousand.

b. Income tax expense of $257,970thousand is not included in segment profit (loss).

(In thousands)

Three Months Ended September 30, 2025	Great China	Europe and North America	Other Areas	Elimination	Total
Sales from external customers	$4,758,273	$176,135	$ -	$ -	$4,934,408
Sales among inter-segment	3,013,978	-	190,806	(3,204,784)	-
Total sales	$7,772,251	$176,135	$190,806	($3,204,784)	$4,934,408
Operating profit (loss)	$1,269,089	$4,989	$10,081	($385,720)	$898,439
Segment assets	$ -	$ -	$ -	$ -	$15,414,181
Segment liabilities	$ -	$ -	$ -	$ -	$7,308,499

a. Total reporting segment sales should eliminate inter-segment sales of $3,204,784 thousand.

b. Income tax expense of $204,138 thousand is not included in segment profit (loss).

(In thousands)

Nine Months Ended September 30, 2026	Great China	Europe and North America	Other Areas	Elimination	Total
Sales from external customers	$16,113,277	$467,350	$ -	$ -	$16,580,627
Sales among inter-segment	11,348,362	-	899,415	(12,247,777)	-
Total sales	$27,461,639	$467,350	$899,415	($12,247,777)	$16,580,627
Operating profit (loss)	$3,785,134	($707)	$9,687	($920,345)	$2,873,769
Segment assets	$ -	$ -	$ -	$ -	$21,032,111
Segment liabilities	$ -	$ -	$ -	$ -	$9,608,233

a. Total reporting segment sales should eliminate inter-segment sales of $12,247,777 thousand.

b. Income tax expense of $636,065 thousand is not included in segment profit (loss).

(In thousands)

Nine Months Ended September 30, 2025	Great China	Europe and North America	Other Areas	Elimination	Total
Sales from external customers	$13,278,938	$480,900	$ -	$ -	$13,759,838
Sales among inter-segment	8,743,455	-	528,604	(9,272,059)	-
Total sales	$22,022,393	$480,900	$528,604	($9,272,059)	$13,759,838
Operating profit (loss)	$3,009,923	($13,615)	$17,412	($1,018,176)	$1,995,544
Segment assets	$ -	$ -	$ -	$ -	$15,414,181
Segment liabilities	$ -	$ -	$ -	$ -	$7,308,499

a. Total reporting segment sales should eliminate inter-segment sales of $9,272,059 thousand.

b. Income tax expense of $454,970 thousand is not included in segment profit (loss).

(4) Production information: No disclosure requirement for interim financial statements.

(5) Geographic information: No disclosure requirement for interim financial statements.

(6) Major customer information: No disclosure requirement for interim financial statements.