

**Giant Manufacturing Co., Ltd. and
Subsidiaries**

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

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The entities required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as prepared in conformity with International Financial Reporting Standard No.10, “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Consequently, Giant Manufacturing Co., Ltd. and Subsidiaries did not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

Giant Manufacturing Co., Ltd.

By

Young Liu
Chairman

March 13, 2026

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Giant Manufacturing Co., Ltd.

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

The key audit matter identified in the Group's consolidated financial statements for the year ended December 31, 2025 is stated as follows:

Authenticity of sales revenue from major customers

The Group's sales revenue from major customers was significant to the Group's consolidated net sales revenue for the year ended December 31, 2025. Since sales revenue was relatively concentrated on major customers, we identified the authenticity of sales revenue from major customers as a key audit matter. The accounting policy on the revenue recognition is disclosed in Note 4 to the consolidated financial statements.

The main audit procedures that we performed in respect of sales revenue from major customers included the following:

1. We obtained an understanding of the related internal controls on revenue recognition and the appropriateness of the design and implementation of the relevant controls.
2. We sampled the transaction documents of sales revenue from major customers, including sales orders, shipping documents and receipts of payments, and we confirmed the authenticity of revenue recognition.
3. We reviewed the significant sales returns and allowances recorded subsequent to the balance sheet date and confirmed that they did occur after the balance sheet date.

Other Matter

We did not audit the financial statements of Microprogram Information Co., Ltd. ("Microprogram"), an investee accounted for by using the equity method, for the years ended December 31, 2025 and 2024, but such statements were audited by other auditors. Our opinion, insofar as it relates to the amounts included in the Group's consolidated financial statements for this investee, is based solely on the reports of other auditors. The aforementioned investments accounted for using the equity method were \$207,597 thousand and \$181,623 thousand, respectively, representing 0.3% and 0.2% of the Group's consolidated assets as of December 31, 2025 and 2024, respectively. The comprehensive income of the investee was \$4,457 thousand and \$32,221 thousand, respectively, representing 0.4% and 1.4% of the Group's consolidated comprehensive income for the years ended December 31, 2025 and 2024, respectively.

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Ting-Chien Su and Shu-Chin Chiang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 27, 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 audit such consolidated financial statements are those generally applied in the Republic of China.

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

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

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

| ASSETS | 2025 | | 2024 | |
|---|----------------------|------------|----------------------|------------|
| | Amount | % | Amount | % |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents (Notes 4 and 6) | \$ 12,298,072 | 18 | \$ 13,998,819 | 18 |
| Financial assets at fair value through profit or loss - current (Notes 4 and 7) | - | - | 50 | - |
| Financial assets at amortized cost - current (Notes 4, 9 and 32) | 722,948 | 1 | 220,139 | - |
| Notes receivable (Notes 4, 10 and 24) | 254,129 | - | 109,018 | - |
| Accounts receivable, Net (Notes 4, 10, 24, 31 and 32) | 9,189,673 | 13 | 10,694,425 | 14 |
| Other receivables (Notes 10 and 31) | 337,536 | - | 165,310 | - |
| Current tax assets (Notes 4 and 26) | 581,713 | 1 | 331,110 | 1 |
| Inventories (Notes 4 and 11) | 20,241,818 | 29 | 26,290,073 | 33 |
| Other current assets (Note 4, 14 and 24) | 1,997,486 | 3 | 2,612,266 | 3 |
| Total current assets | 45,623,375 | 65 | 54,421,210 | 69 |
| NON-CURRENT ASSETS | | | | |
| Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8) | 27,919 | - | 30,005 | - |
| Financial assets at amortized cost - non-current (Notes 4 and 9) | 3,773,280 | 6 | 3,963,915 | 5 |
| Investments accounted for using the equity method (Notes 4 and 13) | 222,969 | - | 193,990 | - |
| Property, plant and equipment (Notes 4, 15 and 31) | 12,348,298 | 18 | 12,684,570 | 16 |
| Right-of-use assets (Notes 4 and 16) | 3,130,007 | 5 | 3,432,830 | 4 |
| Goodwill (Note 4) | 75,792 | - | 70,288 | - |
| Other intangible assets (Notes 4 and 17) | 850,358 | 1 | 849,836 | 1 |
| Deferred tax assets (Notes 4 and 26) | 2,951,171 | 4 | 2,854,118 | 4 |
| Prepayments for equipment | 521,729 | 1 | 355,444 | 1 |
| Net defined benefit assets - non-current (Notes 4 and 22) | 112,234 | - | 75,306 | - |
| Other non-current assets | 110,955 | - | 102,654 | - |
| Total non-current assets | 24,124,712 | 35 | 24,612,956 | 31 |
| TOTAL | \$ 69,748,087 | 100 | \$ 79,034,166 | 100 |
| LIABILITIES AND EQUITY | | | | |
| CURRENT LIABILITIES | | | | |
| Short-term bank loans (Notes 18 and 32) | \$ 7,370,538 | 10 | \$ 13,410,792 | 17 |
| Financial liabilities at fair value through profit or loss - current (Notes 4 and 7) | 144,265 | - | 49,445 | - |
| Notes payable | 1,355,008 | 2 | 1,340,986 | 2 |
| Accounts payable (Note 31) | 4,092,096 | 6 | 4,401,458 | 6 |
| Other payables (Notes 20 and 31) | 8,864,596 | 13 | 9,094,500 | 11 |
| Current tax liabilities (Notes 4 and 26) | 397,383 | 1 | 683,099 | 1 |
| Provisions - current (Notes 4 and 21) | 370,853 | - | 334,053 | - |
| Lease liabilities - current (Notes 4 and 16) | 571,412 | 1 | 626,222 | 1 |
| Current portion of long-term bank loans and bonds payable (Notes 18 and 19) | 854,357 | 1 | 4,368,836 | 6 |
| Other current liabilities (Note 24) | 654,654 | 1 | 734,002 | 1 |
| Total current liabilities | 24,675,162 | 35 | 35,043,393 | 45 |
| NON-CURRENT LIABILITIES | | | | |
| Long-term bank loans (Note 18) | 3,745,782 | 6 | 3,022,870 | 4 |
| Deferred tax liabilities (Notes 4 and 26) | 2,235,077 | 3 | 2,034,896 | 3 |
| Lease liabilities - non-current (Notes 4 and 16) | 1,058,917 | 2 | 1,182,831 | 1 |
| Deferred revenue - non-current (Notes 4 and 18) | 909,331 | 1 | 916,396 | 1 |
| Other non-current liabilities (Notes 4 and 21) | 106,806 | - | 96,231 | - |
| Total non-current liabilities | 8,055,913 | 12 | 7,253,224 | 9 |
| Total liabilities | 32,731,075 | 47 | 42,296,617 | 54 |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY | | | | |
| Share capital | | | | |
| Ordinary shares | 3,920,654 | 5 | 3,920,646 | 5 |
| Capital surplus | 4,806,157 | 7 | 4,766,678 | 6 |
| Retained earnings | | | | |
| Legal reserve | 7,008,728 | 10 | 6,876,907 | 9 |
| Special reserve | 1,308,238 | 2 | 1,984,825 | 2 |
| Unappropriated earnings | 17,923,688 | 26 | 17,514,653 | 22 |
| Other equity | (905,479) | (1) | (1,308,238) | (2) |
| Total equity attributable to owners of the Company | 34,061,986 | 49 | 33,755,471 | 42 |
| NON-CONTROLLING INTERESTS | 2,955,026 | 4 | 2,982,078 | 4 |
| Total equity | 37,017,012 | 53 | 36,737,549 | 46 |
| TOTAL | \$ 69,748,087 | 100 | \$ 79,034,166 | 100 |

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

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

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

| | 2025 | | 2024 | |
|--|-------------------|-----------|-------------------|-----------|
| | Amount | % | Amount | % |
| NET SALES REVENUE (Notes 4, 24 and 31) | \$ 60,253,963 | 100 | \$ 71,278,772 | 100 |
| COST OF GOODS SOLD (Notes 11, 25 and 31) | <u>48,316,713</u> | <u>80</u> | <u>57,744,734</u> | <u>81</u> |
| GROSS PROFIT | <u>11,937,250</u> | <u>20</u> | <u>13,534,038</u> | <u>19</u> |
| OPERATING EXPENSES (Notes 25 and 31) | | | | |
| Selling and marketing expenses | 7,595,163 | 13 | 7,752,287 | 11 |
| General and administrative expenses | 2,036,124 | 3 | 2,500,611 | 4 |
| Research and development expenses | 1,323,968 | 2 | 1,424,074 | 2 |
| Reversal of expected credit losses (Notes 4 and 10) | <u>(99,159)</u> | <u>-</u> | <u>(1,419)</u> | <u>-</u> |
| Total operating expenses | <u>10,856,096</u> | <u>18</u> | <u>11,675,553</u> | <u>17</u> |
| PROFIT FROM OPERATIONS | <u>1,081,154</u> | <u>2</u> | <u>1,858,485</u> | <u>2</u> |
| NON-OPERATING INCOME AND EXPENSES | | | | |
| Finance costs (Note 25) | (659,092) | (1) | (1,087,640) | (1) |
| Share of profit of associates accounted for using the equity method (Note 13) | 7,730 | - | 29,604 | - |
| Interest income | 367,168 | - | 644,199 | 1 |
| Other income (Notes 18, 25 and 31) | 520,264 | 1 | 661,264 | 1 |
| Other gains and losses (Notes 15, 19 and 25) | <u>67,224</u> | <u>-</u> | <u>251,110</u> | <u>-</u> |
| Total non-operating income and expenses | <u>303,294</u> | <u>-</u> | <u>498,537</u> | <u>1</u> |
| PROFIT BEFORE INCOME TAX | 1,384,448 | 2 | 2,357,022 | 3 |
| INCOME TAX EXPENSE (Notes 4 and 26) | <u>518,046</u> | <u>1</u> | <u>876,918</u> | <u>1</u> |
| NET PROFIT FOR THE YEAR | <u>866,402</u> | <u>1</u> | <u>1,480,104</u> | <u>2</u> |
| OTHER COMPREHENSIVE INCOME (LOSS) (Note 4) | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | |
| Remeasurement of defined benefit plans (Note 22) | 4,353 | - | 67,741 | - |
| Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income | (2,086) | - | 6,568 | - |
| Share of the other comprehensive income (loss) of associates accounted for using the equity method | (322) | - | 682 | - |
| Income tax related to items that will not be reclassified subsequently to profit or loss (Note 26) | <u>(871)</u> | <u>-</u> | <u>(13,548)</u> | <u>-</u> |
| | <u>1,074</u> | <u>-</u> | <u>61,443</u> | <u>-</u> |
| Items that may be reclassified subsequently to profit or loss: | | | | |

(Continued)

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

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

| | 2025 | | 2024 | |
|--|---------------------|----------|---------------------|----------|
| | Amount | % | Amount | % |
| Exchange differences on translation of the financial statements of foreign operations | \$ 468,094 | 1 | \$ 958,622 | 1 |
| Share of the other comprehensive income (loss) of associates accounted for using the equity method | (87) | - | 622 | - |
| Income tax related to items that may be reclassified subsequently to profit or loss (Note 26) | <u>(101,313)</u> | <u>-</u> | <u>(167,933)</u> | <u>-</u> |
| | <u>366,694</u> | <u>1</u> | <u>791,311</u> | <u>1</u> |
| Other comprehensive income for the year, net of income tax | <u>367,768</u> | <u>1</u> | <u>852,754</u> | <u>1</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | <u>\$ 1,234,170</u> | <u>2</u> | <u>\$ 2,332,858</u> | <u>3</u> |
| NET PROFIT ATTRIBUTABLE TO: | | | | |
| Owners of the Company | \$ 723,329 | 1 | \$ 1,264,013 | 2 |
| Non-controlling interests | <u>143,073</u> | <u>-</u> | <u>216,091</u> | <u>-</u> |
| | <u>\$ 866,402</u> | <u>1</u> | <u>\$ 1,480,104</u> | <u>2</u> |
| TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO: | | | | |
| TO: | | | | |
| Owners of the Company | \$ 1,129,570 | 2 | \$ 1,994,808 | 3 |
| Non-controlling interests | <u>104,600</u> | <u>-</u> | <u>338,050</u> | <u>-</u> |
| | <u>\$ 1,234,170</u> | <u>2</u> | <u>\$ 2,332,858</u> | <u>3</u> |
| EARNINGS PER SHARE (Note 27) | | | | |
| Basic | <u>\$ 1.84</u> | | <u>\$ 3.22</u> | |
| Diluted | <u>\$ 1.84</u> | | <u>\$ 3.21</u> | |

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

(Concluded)

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

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

| | Equity Attributable to Owners of the Company (Note 13 and 23) | | | | | Other Equity | | Total | Non-controlling Interests | Total Equity |
|---|---|-----------------|-------------------|-----------------|-------------------------|---|---|---------------|---------------------------|---------------|
| | Ordinary Shares | Capital Surplus | Retained Earnings | | | Exchange Differences on Translation of the Financial Statements of Foreign Operations | Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income | | | |
| | | | Legal Reserve | Special Reserve | Unappropriated Earnings | | | | | |
| BALANCE AT JANUARY 1, 2024 | \$ 3,920,646 | \$ 4,726,957 | \$ 6,531,622 | \$ 1,904,900 | \$ 18,581,965 | \$ (1,980,336) | \$ (4,489) | \$ 33,681,265 | \$ 2,644,028 | \$ 36,325,293 |
| Appropriation of 2023 earnings | | | | | | | | | | |
| Legal reserve | - | - | 345,285 | - | (345,285) | - | - | - | - | - |
| Special reserve | - | - | - | 79,925 | (79,925) | - | - | - | - | - |
| Cash dividends distributed by the Company | - | - | - | - | (1,960,323) | - | - | (1,960,323) | - | (1,960,323) |
| Changes in associates accounted for using the equity method | - | 39,721 | - | - | - | - | - | 39,721 | - | 39,721 |
| Disposals of investments in equity instruments designated as at fair value through other comprehensive income | - | - | - | - | 15 | - | (15) | - | - | - |
| Net profit for the year ended December 31, 2024 | - | - | - | - | 1,264,013 | - | - | 1,264,013 | 216,091 | 1,480,104 |
| Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax | - | - | - | - | 54,193 | 672,352 | 4,250 | 730,795 | 121,959 | 852,754 |
| Total comprehensive income (loss) for the year ended December 31, 2024 | - | - | - | - | 1,318,206 | 672,352 | 4,250 | 1,994,808 | 338,050 | 2,332,858 |
| BALANCE AT DECEMBER 31, 2024 | 3,920,646 | 4,766,678 | 6,876,907 | 1,984,825 | 17,514,653 | (1,307,984) | (254) | 33,755,471 | 2,982,078 | 36,737,549 |
| Appropriation of 2024 earnings | | | | | | | | | | |
| Legal reserve | - | - | 131,821 | - | (131,821) | - | - | - | - | - |
| Reversal of special reserve | - | - | - | (676,587) | 676,587 | - | - | - | - | - |
| Cash dividends distributed by the Company | - | - | - | - | (862,542) | - | - | (862,542) | - | (862,542) |
| Changes in associates accounted for using the equity method | - | 39,289 | - | - | - | - | - | 39,289 | - | 39,289 |
| Convertible bonds converted to ordinary shares | 8 | 190 | - | - | - | - | - | 198 | - | 198 |
| Net profit for the year ended December 31, 2025 | - | - | - | - | 723,329 | - | - | 723,329 | 143,073 | 866,402 |
| Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax | - | - | - | - | 3,482 | 405,167 | (2,408) | 406,241 | (38,473) | 367,768 |
| Total comprehensive income (loss) for the year ended December 31, 2025 | - | - | - | - | 726,811 | 405,167 | (2,408) | 1,129,570 | 104,600 | 1,234,170 |
| Cash dividends paid by subsidiaries to non-controlling interests | - | - | - | - | - | - | - | - | (131,652) | (131,652) |
| BALANCE AT DECEMBER 31, 2025 | \$ 3,920,654 | \$ 4,806,157 | \$ 7,008,728 | \$ 1,308,238 | \$ 17,923,688 | \$ (902,817) | \$ (2,662) | \$ 34,061,986 | \$ 2,955,026 | \$ 37,017,012 |

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

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

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

| | 2025 | 2024 |
|--|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income before income tax | \$ 1,384,448 | \$ 2,357,022 |
| Adjustments for | | |
| Depreciation and amortization expenses | 2,554,073 | 2,535,995 |
| Reversal of expected credit losses | (99,159) | (1,419) |
| Valuation loss on financial assets and liabilities at fair value through profit or loss, net | 90,885 | 137,698 |
| Loss on financial liabilities at amortized cost | 57,274 | - |
| Finance costs | 659,092 | 1,087,640 |
| Interest income | (367,168) | (644,199) |
| Dividend income | (49) | (32) |
| Share of profit of associates accounted for using the equity method | (7,730) | (29,604) |
| Loss on disposal of property, plant and equipment, net | 11,729 | 13,458 |
| Impairment loss recognized on property, plant and equipment | 9,405 | - |
| (Reversal of) Write-down of inventories | (463,722) | 1,914,374 |
| Unrealized loss (gain) on foreign currency exchange | 59,425 | (109,082) |
| Realized deferred revenue | (51,648) | (45,120) |
| Loss (gain) on lease modification | 17 | (1,928) |
| Net changes in operating assets and liabilities | | |
| Notes receivable | (139,505) | 18,592 |
| Accounts receivable | 2,909,330 | 1,048,520 |
| Other receivables | (31,735) | 45,702 |
| Inventories | 7,137,635 | 7,319,551 |
| Other current assets | (493,482) | (146,474) |
| Notes payable | 9,769 | (115,153) |
| Accounts payable | (321,402) | 401,710 |
| Other payables | (327,307) | (150,495) |
| Provisions | 42,407 | (49,388) |
| Other current liabilities | (87,857) | 45,290 |
| Net defined benefit assets | (32,575) | (77,920) |
| Cash generated from operations | 12,502,150 | 15,554,738 |
| Interest received | 239,904 | 693,239 |
| Interest paid | (587,793) | (1,044,572) |
| Income tax paid | (1,006,086) | (3,054,032) |
| Net cash generated from operating activities | <u>11,148,175</u> | <u>12,149,373</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Proceeds from sale of financial assets at fair value through other comprehensive income | - | 37,871 |
| Acquisitions of financial assets at amortized cost | (622,690) | (4,663,438) |
| Proceeds from sale of financial assets at amortized cost | 316,992 | 1,606,862 |
| Acquisitions of financial assets at fair value through profit or loss | (260,781) | (89,991) |
| Proceeds from sale of financial assets at fair value through profit or loss | 313,404 | - |
| Acquisitions of property, plant and equipment | (1,088,344) | (1,061,617) |

(Continued)

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

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

| | 2025 | 2024 |
|---|----------------------|----------------------|
| Proceeds from disposal of property, plant and equipment | \$ 82,960 | \$ 102,103 |
| Acquisitions of intangible assets | (172,948) | (686,117) |
| Acquisitions of right-of-use assets | - | (420,736) |
| Increase in other non-current assets | (2,210) | (3,512) |
| Increase in prepayments for equipment | (542,350) | (347,399) |
| Other dividends received | 17,821 | 8,918 |
| Government grants received | <u>17,719</u> | <u>57,188</u> |
| Net cash used in investing activities | <u>(1,940,427)</u> | <u>(5,459,868)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividends paid to non-controlling interests | (131,652) | - |
| Decrease in short-term bank loans | (6,422,281) | (5,053,744) |
| Repayment of bonds payable | (3,999,800) | - |
| Proceeds from long-term bank loans | 2,489,487 | 16,580 |
| Repayment of long-term bank loans | (1,402,996) | (432,086) |
| Repayment of the principal portion of lease liabilities | (501,044) | (410,269) |
| Increase (decrease) in other non-current liabilities | (193) | 7,735 |
| Cash dividends distributed | <u>(862,542)</u> | <u>(1,960,323)</u> |
| Net cash used in financing activities | <u>(10,831,021)</u> | <u>(7,832,107)</u> |
| EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS | | |
| | <u>(77,474)</u> | <u>349,106</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (1,700,747) | (793,496) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | <u>13,998,819</u> | <u>14,792,315</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | <u>\$ 12,298,072</u> | <u>\$ 13,998,819</u> |

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

(Concluded)

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

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

1. GENERAL INFORMATION

Giant Manufacturing Co., Ltd. (“Giant” or the “Company”) was incorporated in October 1972. Its shares have been listed on the Taiwan Stock Exchange since December 1994.

Giant manufactures and sells bicycles, electric bicycles and related parts.

The consolidated financial statements of Giant and its subsidiaries (collectively referred to as the “Group”) are presented in the Company’s functional currency, New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on March 13, 2026.

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

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

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Company and entities controlled by the Company (collectively, the “Group”) accounting policies.

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

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

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

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

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

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

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

IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments

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

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income tax and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income tax and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

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

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

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

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

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

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or a liability.

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

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and
- 3) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

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

d. Basis of consolidation

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

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

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

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

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

Refer to Note 12 and Tables 7 and 8 for the detailed information of subsidiaries (including the percentages of ownership and main businesses).

e. Acquisition of a group of assets that does not constitute a business

When the Group acquires a group of assets that does not constitute a business, the Group will identify and recognize the individual identifiable assets acquired (including intangible assets) and liabilities assumed, and then allocate the transaction price to the individual identifiable assets and liabilities. When allocating the transaction price, first, the total transaction price is allocated to each identifiable asset and liability as the individual transaction price based on their relative fair value at the date of the acquisition. Then any difference between the amount at which the asset or liability is initially measured and the amount of its individual transaction price is accounted for applying the relevant requirement of the applicable IFRS standards.

f. Foreign currencies

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

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

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

Non-monetary items denominated in a foreign currency and measured at historical cost are translated using the exchange rates at the dates of the initial transactions.

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

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

g. Inventories

Inventories consist of raw materials, supplies, work-in-process, finished goods, and merchandise and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

h. Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The Group uses the equity method to account for its investments in associates.

Under the equity method, an investment in an associate are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate, and less any distributions received. The Group also recognizes the changes in the Group's share of the equity of associates.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized.

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

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

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

i. Property, plant and equipment

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

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

The depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

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

j. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation. Depreciation is recognized using the straight-line method.

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

k. Goodwill

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

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

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

l. Intangible assets

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

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

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

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

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

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

n. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

Financial assets are classified into the following categories: financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at fair value through other comprehensive income (FVTOCI).

i. Financial assets at FVTPL

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

Financial assets at FVTPL are subsequently measured at fair value, and any dividends or interest earned on such financial assets are recognized in other income and interest income, respectively; any remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 30.

ii. Financial assets at amortized cost

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

- i) The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset.

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

iii. Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable) at the end of each reporting period.

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

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

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

- i. Internal or external information shows that the debtor is unlikely to pay its creditors.
- ii. Financial asset is more than 180 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

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

c) Derecognition of financial assets

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

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

2) Financial liabilities

a) Subsequent measurement

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

Financial liabilities at FVTPL

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

Financial liabilities held for trading are stated at fair value, with any remeasurement gains or losses on such financial liabilities are recognized in other gains or losses.

Fair value is determined in the manner described in Note 30.

b) Derecognition of financial liabilities

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

3) Convertible bonds

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

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

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

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

4) Derivative financial instruments

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

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

o. Provisions

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

Provisions for the expected cost of warranty obligations under sale contracts are recognized when revenue from the relevant products is recognized, based on management's best estimate of the expenditures required to settle the Group's obligation.

p. Revenue recognition

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

For contracts where the period between the date on which the Group transfers a promised good or service to a customer and the date on which the customer pays for that good or service is one year or less, the Group does not adjust the promised amount of consideration for the effects of a significant financing component.

1) Revenue from the sale of goods

Revenue from the sale of goods is recognized when the customer obtains control over the asset promised; that is, when the goods are delivered to the designated location and meet the performance obligations. Advance receipts from sales of goods are recognized as contract liabilities until the goods have been delivered.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances. Estimated sales returns and other allowances are generally made and adjusted based on historical experience and the consideration of varying contractual terms to recognize refund liabilities.

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

2) Revenue from the rendering of services

Revenue from the rendering of services comes from the service concession arrangements. Customers simultaneously receive and consume the benefits provided by the Group's performance. Consequently, the related revenue is recognized when services are rendered.

3) Construction contract revenue

The Group recognizes revenue over time. The Group measures the progress on the basis of costs incurred relative to the total expected costs as there is a direct relationship between the costs incurred and the progress of satisfying the performance obligations. Contract assets are recognized during the construction and are reclassified to trade receivables at the point at which the customer is invoiced.

q. Leases

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

1) The Group as lessor

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

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms. Lease modification that resulted from a negotiation with a lessee is accounted for as a new lease from the effective date of modification.

2) The Group as lessee

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

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

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

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

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term used to determine payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

r. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

s. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they are received.

t. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

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

u. Taxation

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

1) Current tax

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

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

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

2) Deferred tax

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

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforwards to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and unused loss carryforwards can be utilized.

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

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

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

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

3) Current and deferred taxes

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact of US reciprocal tariffs measures on the cash flow projections, growth rates, discount rates, profitability and other relevant material estimates. Management reviews these estimates and underlying assumptions on an ongoing basis.

6. CASH AND CASH EQUIVALENTS

| | <u>December 31</u> | |
|--|----------------------|----------------------|
| | <u>2025</u> | <u>2024</u> |
| Cash on hand and petty cash | \$ 2,446 | \$ 2,781 |
| Checking accounts and demand deposits | 10,945,956 | 9,376,235 |
| Cash equivalents | | |
| Time deposits with original maturities of three months or less | 1,079,665 | 4,291,743 |
| Repurchase agreements collateralized by bonds | <u>270,005</u> | <u>328,060</u> |
| | <u>\$ 12,298,072</u> | <u>\$ 13,998,819</u> |
| <u>Annual interest rate (%)</u> | | |
| Deposits in bank | 0.00-4.00 | 0.00-4.84 |
| Repurchase agreements | 1.15-1.33 | 1.15-1.38 |

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | <u>December 31</u> | |
|--|--------------------|------------------|
| | <u>2025</u> | <u>2024</u> |
| <u>Financial assets - current</u> | | |
| Financial assets mandatorily classified as at FVTPL | | |
| Derivative financial assets (not under hedge accounting) | | |
| Foreign exchange forward contracts (a) | \$ - | \$ 50 |
| <u>Financial liabilities - current</u> | | |
| Financial liabilities held for trading | | |
| Derivative financial liabilities (not under hedge accounting) | | |
| Cross-currency swap contracts (b) | \$ 139,487 | \$ - |
| Foreign exchange forward contracts (a) | 4,778 | 3,045 |
| Redemption rights and put options of convertible bonds (Note 19) | - | 46,400 |
| | <u>\$ 144,265</u> | <u>\$ 49,445</u> |

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

| | Currency | Maturity Date | Notional Amount (In Thousands) |
|--------------------------|----------|---------------------|-----------------------------------|
| <u>December 31, 2025</u> | | | |
| Sell | EUR/NTD | 2026.1.9-2026.1.30 | EUR8,000/NTD291,745 |
| | CAD/NTD | 2026.1.20-2026.2.24 | CAD3,100/NTD69,745 |
| <u>December 31, 2024</u> | | | |
| Sell | USD/NTD | 2025.1.3-2025.2.5 | USD9,000/NTD293,475 |
| | CNY/NTD | 2025.1.21-2025.2.21 | CNY100,000/NTD446,070 |

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

| Contract Amount (In Thousands) | Maturity Date | Interest Rate Payable | Interest Rate Receivable |
|-----------------------------------|---------------|--------------------------|-----------------------------|
| <u>December 31, 2025</u> | | | |
| EUR 40,000/NTD1,354,000 | 2026.1.15 | 3.164% | 2.035% |

The Group entered into foreign exchange forward contracts and cross currency swap contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities. These foreign exchange forward contracts and cross currency swap contracts did not meet the criteria of hedge effectiveness and therefore were not accounted for using hedge accounting.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| | <u>December 31</u> | |
|--|--------------------|------------------|
| | 2025 | 2024 |
| <u>Investments in equity instruments - non-current</u> | | |
| Domestic unlisted companies | \$ 26,968 | \$ 28,752 |
| Domestic listed companies | <u>951</u> | <u>1,253</u> |
| | <u>\$ 27,919</u> | <u>\$ 30,005</u> |

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

9. FINANCIAL ASSETS AT AMORTIZED COST

| | <u>December 31</u> | |
|--|---------------------|---------------------|
| | 2025 | 2024 |
| <u>Current</u> | | |
| Time deposits with original maturities of more than 3 months | \$ 694,532 | \$ 213,567 |
| Restricted time deposits (Note 32) | 25,900 | - |
| Pledged bank deposits (Note 32) | <u>2,516</u> | <u>6,572</u> |
| | <u>\$ 722,948</u> | <u>\$ 220,139</u> |
| <u>Non-current</u> | | |
| Time deposits with original maturities of more than 1 year | <u>\$ 3,773,280</u> | <u>\$ 3,963,915</u> |
| <u>Annual interest rate (%)</u> | | |
| Time deposits with original maturities of more than 3 months | 0.35-3.00 | 0.35-5.10 |
| Restricted time deposits | 1.51 | - |

Refer to Note 32 for information relating to investments in financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE, NET AND OTHER RECEIVABLES

| | <u>December 31</u> | |
|-------------------------------------|--------------------|-------------------|
| | 2025 | 2024 |
| <u>Notes receivable</u> | | |
| At amortized cost | | |
| Gross carrying amount | \$ 254,129 | \$ 109,018 |
| Less: Allowance for impairment loss | <u>-</u> | <u>-</u> |
| | <u>\$ 254,129</u> | <u>\$ 109,018</u> |

Accounts receivable

At amortized cost

| | | |
|-------------------------------------|---------------------|----------------------|
| Gross carrying amount | \$ 10,454,450 | \$ 12,113,743 |
| Less: Allowance for impairment loss | <u>(1,264,777)</u> | <u>(1,419,318)</u> |
| | <u>\$ 9,189,673</u> | <u>\$ 10,694,425</u> |

Other receivables

| | | |
|-------------------------------------|-------------------|-------------------|
| Other receivables | \$ 337,809 | \$ 181,876 |
| Less: Allowance for impairment loss | <u>(273)</u> | <u>(16,566)</u> |
| | <u>\$ 337,536</u> | <u>\$ 165,310</u> |

The average credit period of sales of goods ranges from 30 to 120 days. No interest is charged on accounts receivable. The Group adopts a policy of conducting business only with entities rated the equivalent of investment grade or higher and, where appropriate, obtaining sufficient collateral to mitigate the risk of financial loss from defaults. Credit rating information is obtained from independent rating agencies where available or, if such information is not available, the Group uses other publicly available financial information or its own trading records to assess the creditworthiness of its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is managed through counterparty limits, which are reviewed and approved annually by the internal risk management administrator.

The Group measures the loss allowance for accounts receivable at an amount equal to lifetime expected credit losses (ECLs). The lifetime ECLs on accounts receivable are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position and the economic condition of the industry in which the debtors operate. Due to indications of default on certain customers, the Group applies different provision matrices for these customers and determines the expected credit loss ratio by referencing the expected recoverable amounts.

The Group writes off accounts receivable when there is evidence indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery, such as when the debtor has been placed under liquidation. For accounts receivable that have been written off, the Group continues to pursue enforcement actions to attempt to recover the receivables due. Any recoveries made are recognized in profit or loss.

The following table details the loss allowance of notes receivable and accounts receivable:

| | Not Past Due | Less than 90 Days | 91 to 180 Days | Over 180 Days | Indication of Default | Total |
|-------------------------------|----------------------|----------------------|-------------------|------------------|--------------------------|----------------------|
| <u>December 31, 2025</u> | | | | | | |
| ECL rate | 0%-3% | 0.5%-70% | 30%-90% | 80%-100% | 100% | |
| Gross carrying amount | \$ 8,483,854 | \$ 905,805 | \$ 180,494 | \$ 759,718 | \$ 378,708 | \$ 10,708,579 |
| Loss allowance (lifetime ECL) | <u>(68,943)</u> | <u>(27,820)</u> | <u>(70,238)</u> | <u>(719,068)</u> | <u>(378,708)</u> | <u>(1,264,777)</u> |
| Amortized cost | <u>\$ 8,414,911</u> | <u>\$ 877,985</u> | <u>\$ 110,256</u> | <u>\$ 40,650</u> | <u>\$ -</u> | <u>\$ 9,443,802</u> |
| <u>December 31, 2024</u> | | | | | | |
| ECL rate | 0%-3% | 0.5%-70% | 30%-90% | 80%-100% | 100% | |
| Gross carrying amount | \$ 10,245,561 | \$ 523,650 | \$ 178,918 | \$ 709,797 | \$ 564,835 | \$ 12,222,761 |
| Loss allowance (lifetime ECL) | <u>(82,550)</u> | <u>(29,595)</u> | <u>(61,389)</u> | <u>(680,949)</u> | <u>(564,835)</u> | <u>(1,419,318)</u> |
| Amortized cost | <u>\$ 10,163,011</u> | <u>\$ 494,055</u> | <u>\$ 117,529</u> | <u>\$ 28,848</u> | <u>\$ -</u> | <u>\$ 10,803,443</u> |

The movements of the loss allowance of notes receivable, accounts receivable and other receivables were as follows:

| | For the Year Ended December 31 | | | |
|--|---------------------------------------|------------------------------|--------------------------------|------------------------------|
| | 2025 | | 2024 | |
| | Accounts Receivable | Other Receivables | Accounts Receivable | Other Receivables |
| Balance at January 1 | \$ 1,419,318 | \$ 16,566 | \$ 1,466,058 | \$ 6,900 |
| Net remeasurement (reversal) of loss allowance | (92,547) | (6,612) | (11,014) | 9,595 |
| Amounts written off | (79,897) | (9,359) | (55,507) | - |
| Effects of foreign currency exchange differences | <u>17,903</u> | <u>(322)</u> | <u>19,781</u> | <u>71</u> |
| Balance at December 31 | <u>\$ 1,264,777</u> | <u>\$ 273</u> | <u>\$ 1,419,318</u> | <u>\$ 16,566</u> |

11. INVENTORIES

| | December 31 | |
|--------------------------------|----------------------|----------------------|
| | 2025 | 2024 |
| Finished goods and merchandise | \$ 14,687,244 | \$ 19,220,121 |
| Work in process | 222,966 | 323,266 |
| Raw materials and supplies | <u>5,331,608</u> | <u>6,746,686</u> |
| | <u>\$ 20,241,818</u> | <u>\$ 26,290,073</u> |

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2025 and 2024 was \$46,314,612 thousand and \$55,024,948 thousand, respectively. The cost of goods sold for the years ended December 31, 2025 and 2024 included (reversal of) inventory write-downs of \$(463,722) thousand and \$1,914,374 thousand, respectively. The Group recognized the reversals of inventory write-down primarily due to the liquidation of previously written-down inventory.

12. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements:

| Investor | Investee | % of Ownership December 31 | |
|-----------------|--|---------------------------------------|-------------|
| | | 2025 | 2024 |
| Giant | Gaiwin B.V. ("Gaiwin") | 100 | 100 |
| | Growood Investment Ltd. ("Growood") | 100 | 100 |
| | Darzins Holdings Ltd. ("Darzins") | 100 | 100 |
| | Merdeka International Ltd. ("Merdeka") | 100 | 100 |
| | Giant Sales Co., Ltd. ("Giant Sales") | 100 | 100 |
| | YouBike Co., Ltd. ("YouBike") | 100 | 100 |
| | Giant Holding Co., Ltd. ("Giant Holding") | 100 | 100 |
| | Giant Bicycle Mexico S. de R.L. de C.V. ("Giant Mexico") | - | - |
| | AIPS Technology Co., Ltd. ("AIPS") | 100 | 100 |
| | Giant Vietnam Manufacturing Co., Ltd. ("Giant Vietnam Mfg.") | 100 | 100 |
| | Giant SEA Bicycle Co., Ltd. ("Giant SEA Bicycle") | 100 | 100 |
| | Giant Bicycle (Thailand) Co., Ltd. ("Giant Thailand") (Note 1) | 100 | 100 |

(Continued)

| Investor | Investee | % of Ownership | | |
|---|--|--|------|-----|
| | | 2025 | 2024 | |
| Gaiwin | Giant Europe B.V. (“Giant Europe”) | 100 | 100 | |
| | Giant Co., Ltd. (“Giant Japan”) | 100 | 100 | |
| | Giant Bicycle Inc. (“Giant USA”) | 100 | 100 | |
| | Giant Korea Co., Ltd. (“Giant Korea”) | 100 | 100 | |
| | Giant Bicycle Canada, Inc. (“Giant Canada”) | 100 | 100 | |
| | Giant Bicycle Company Pty. Ltd. (“Giant Australia”) | 100 | 100 | |
| | Giant Mexico | 100 | 100 | |
| | SPIA Cycling Inc. (“SPIA”) | 100 | 100 | |
| | Giant Europe | Giant Deutschland GmbH (“Giant Germany”) | 100 | 100 |
| | | Giant Polska Sp. ZO.O. (“Giant Polska”) | 100 | 100 |
| Giant Europe Manufacturing B.V. (“Giant Europe Mfg.”) | | 100 | 100 | |
| Giant France S.A.R.L. (“Giant France”) | | 100 | 100 | |
| Giant U.K. Ltd. (“Giant UK”) | | 100 | 100 | |
| Giant Benelux B.V. (“Giant Benelux”) | | 100 | 100 | |
| Giant Italia S.R.L. (“Giant Italy”) | | 100 | 100 | |
| Giant Manufacturing Hungary Ltd. (“Giant Hungary Mfg.”) | | 100 | 100 | |
| Growood | Giant (China) Co., Ltd. (“Giant China”) | 100 | 100 | |
| | Giant Electric Vehicle (Kunshan) Co., Ltd. (“Giant Electric Vehicle”) | 100 | 100 | |
| | Giant (Tianjin) Co., Ltd. (“Giant Tianjin”) | 100 | 100 | |
| | Giant Thailand | - | - | |
| Darzins | D. Mag (Kunshan) New Material Technology Co., Ltd. (“D. Mag”) | 60 | 60 | |
| Merdeka | Giant (Chengdu) Co., Ltd. (“Giant Chengdu”) | 100 | 100 | |
| Giant Sales | Giant Adventure Co., Ltd. (“Giant Adventure”) | 100 | 100 | |
| Giant Holding | Giant (Kunshan) Co., Ltd. (“Giant Kunshan”) | 100 | 100 | |
| | Giant Cycling Service (Kunshan) Co., Ltd. (“Giant Cycling Service”) | 100 | 100 | |
| | Giant (Jiangsu) Co., Ltd. (“Giant Jiangsu”) | 100 | 100 | |
| Giant China | Jiangsu Giant Adventure Co., Ltd. (“Jiangsu Giant”) | 100 | 100 | |
| Giant Kunshan | Quanzhou YouBike Co., Ltd. (“Quanzhou YouBike”) | 100 | 100 | |
| | Putian YouBike Co., Ltd. (“Putian YouBike”) | 100 | 100 | |
| D. Mag | Golden Rich Ltd. (“Golden Rich”) | 100 | 100 | |
| | Giant Light Metal Technology (Haian) Co., Ltd. (“Light Metal Haian”) | 100 | 100 | |
| | Giant Light Metal Technology (Malaysia) Sdn. Bhd. (“Light Metal Malaysia”) (Note 2) | - | 100 | |
| | Innovation Tech Investments Pte. Ltd. (“Innovation Tech”) | 100 | 100 | |
| Innovation Tech | D.Mag Precision Technology Vietnam Co., Ltd. (“D. Mag Precision”) (Note 1) | 100 | 100 | |
| | D.Mag Light Metal Technology Vietnam Co., Ltd. (“D.Mag Light Metal”) (Note 1) | 100 | 100 | |

(Concluded)

Note 1: A newly established subsidiary in 2024.

Note 2: Deregistered in July 2025.

Refer to Tables 7 and 8 for the information on the main business items and the countries of incorporation of the abovementioned subsidiaries.

The financial statements of subsidiaries included in the consolidated financial statements were audited by the auditors for the same period.

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

| | <u>December 31</u> | |
|---|--------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| Investments in insignificant associates | \$ <u>222,969</u> | \$ <u>193,990</u> |

Refer to Tables 7 and 8 for the information on the main business items and countries of incorporation of the abovementioned associates.

In July 2025 and November 2024, Microprogram Information Co., Ltd. (“Microprogram”) completed cash capital increases. The Company did not subscribe to newly issued shares in proportion to its existing ownership, resulting in a reduction of its continuing interest to 16% and 18%, respectively. These changes affected the net equity value of the investment, resulting in an increase of \$39,289 thousand and \$39,721 thousand, respectively, which was recognized as an adjustment to capital surplus.

The investments accounted for using the equity method and the Group’s share of profit or loss and of those investments for the years ended December 31, 2025 and 2024 were based on the associate’s financial statements audited by the auditors for the same periods. Willbe’s financial statements have not been audited by the auditors. However, management believes there is no material impact on the equity method of accounting or the calculation of the share of profit or loss and other comprehensive income from the financial statements of Willbe which have not been audited.

Note: Meiki Giant Co., Ltd. changed its name to Willbe in 2024.

14. OTHER CURRENT ASSETS

| | <u>December 31</u> | |
|--------------------------|---------------------|---------------------|
| | <u>2025</u> | <u>2024</u> |
| Contract assets | \$ 767,970 | \$ 1,124,032 |
| Input value-added tax | 746,755 | 913,607 |
| Prepaid expenses | 272,722 | 277,115 |
| Prepayment for purchases | 40,293 | 192,791 |
| Others | <u>169,746</u> | <u>104,721</u> |
| | <u>\$ 1,997,486</u> | <u>\$ 2,612,266</u> |

15. PROPERTY, PLANT AND EQUIPMENT

| | <u>For the Year Ended December 31, 2025</u> | | | | | |
|--------------------------|---|---------------------|-------------------|--------------------------|---|-----------------------|
| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Disposals</u> | <u>Reclassifications</u> | <u>Effects of foreign currency exchange differences</u> | <u>Ending Balance</u> |
| <u>Cost</u> | | | | | | |
| Land | \$ 997,713 | \$ - | \$ - | \$ 44,183 | \$ 11,917 | \$ 1,053,813 |
| Buildings | 10,679,266 | 156,917 | 46,092 | 24,345 | 165,310 | 10,979,746 |
| Machinery equipment | 10,059,485 | 367,442 | 238,480 | 319,391 | 58,568 | 10,566,406 |
| Transportation equipment | 313,017 | 28,814 | 31,216 | 3,663 | (593) | 313,685 |
| Office equipment | 407,804 | 21,364 | 7,691 | 5,490 | 3,559 | 430,526 |
| Furniture and fixtures | 18,657 | 6,876 | 1,364 | - | 75 | 24,244 |
| Other equipment | 5,040,330 | 361,494 | 185,533 | 141,028 | 63,741 | 5,421,060 |
| Construction in progress | <u>303,020</u> | <u>141,084</u> | <u>10,583</u> | <u>(276,687)</u> | <u>308</u> | <u>157,142</u> |
| Total cost | <u>\$ 27,819,292</u> | <u>\$ 1,083,991</u> | <u>\$ 520,959</u> | <u>\$ 261,413</u> | <u>\$ 302,885</u> | <u>\$ 28,946,622</u> |

(Continued)

For the Year Ended December 31, 2025

| | Beginning Balance | Additions | Disposals | Reclassifications | Effects of foreign currency exchange differences | Ending Balance |
|---------------------------------|----------------------|---------------------|-------------------|--------------------|--|----------------------|
| <u>Accumulated depreciation</u> | | | | | | |
| Buildings | \$ 4,341,237 | \$ 437,086 | \$ 42,521 | \$ (23,588) | \$ 55,061 | \$ 4,767,275 |
| Machinery equipment | 6,406,083 | 671,544 | 170,218 | - | 40,376 | 6,947,785 |
| Transportation equipment | 238,437 | 30,116 | 28,616 | - | (158) | 239,779 |
| Office equipment | 310,033 | 38,230 | 7,128 | (116) | 2,068 | 343,087 |
| Furniture and fixtures | 11,847 | 3,352 | 1,256 | - | 72 | 14,015 |
| Other equipment | <u>3,826,130</u> | <u>574,185</u> | <u>176,531</u> | <u>(125)</u> | <u>52,015</u> | <u>4,275,674</u> |
| Total accumulated depreciation | <u>15,133,767</u> | <u>\$ 1,754,513</u> | <u>\$ 426,270</u> | <u>\$ (23,829)</u> | <u>\$ 149,434</u> | <u>16,587,615</u> |
| <u>Accumulated impairment</u> | | | | | | |
| Machinery equipment | - | \$ 9,405 | \$ - | \$ - | \$ 346 | 9,751 |
| Other equipment | <u>955</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3</u> | <u>958</u> |
| Total accumulated impairment | <u>955</u> | <u>\$ 9,405</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 349</u> | <u>10,709</u> |
| Net | <u>\$ 12,684,570</u> | | | | | <u>\$ 12,348,298</u> |

(Concluded)

For the Year Ended December 31, 2024

| | Beginning Balance | Additions | Disposals | Reclassifications | Effects of foreign currency exchange differences | Ending Balance |
|---------------------------------|----------------------|---------------------|-------------------|-------------------|--|----------------------|
| <u>Cost</u> | | | | | | |
| Land | \$ 998,752 | \$ - | \$ - | \$ - | \$ (1,039) | \$ 997,713 |
| Buildings | 10,340,704 | 106,700 | 14,503 | 36,465 | 209,900 | 10,679,266 |
| Machinery equipment | 9,426,796 | 228,937 | 301,062 | 423,561 | 281,253 | 10,059,485 |
| Transportation equipment | 315,164 | 27,165 | 38,778 | 1,262 | 8,204 | 313,017 |
| Office equipment | 382,078 | 24,032 | 13,317 | 9,197 | 5,814 | 407,804 |
| Furniture and fixtures | 15,362 | 4,934 | 1,755 | (36) | 152 | 18,657 |
| Other equipment | 4,576,775 | 382,435 | 162,454 | 144,943 | 98,631 | 5,040,330 |
| Construction in progress | <u>432,015</u> | <u>208,480</u> | <u>20,696</u> | <u>(330,541)</u> | <u>13,762</u> | <u>303,020</u> |
| Total cost | <u>26,487,646</u> | <u>\$ 982,683</u> | <u>\$ 552,565</u> | <u>\$ 284,851</u> | <u>\$ 616,677</u> | <u>27,819,292</u> |
| <u>Accumulated depreciation</u> | | | | | | |
| Buildings | 3,819,912 | \$ 440,274 | \$ 13,044 | \$ - | \$ 94,095 | 4,341,237 |
| Machinery equipment | 5,732,619 | 718,207 | 209,039 | - | 164,296 | 6,406,083 |
| Transportation equipment | 240,193 | 28,628 | 36,897 | - | 6,513 | 238,437 |
| Office equipment | 279,703 | 39,177 | 12,933 | - | 4,086 | 310,033 |
| Furniture and fixtures | 11,469 | 2,065 | 1,722 | (36) | 71 | 11,847 |
| Other equipment | <u>3,272,110</u> | <u>611,843</u> | <u>133,461</u> | <u>-</u> | <u>75,638</u> | <u>3,826,130</u> |
| Total accumulated depreciation | <u>13,356,006</u> | <u>\$ 1,840,194</u> | <u>\$ 407,096</u> | <u>\$ (36)</u> | <u>\$ 344,699</u> | <u>15,133,767</u> |
| <u>Accumulated impairment</u> | | | | | | |
| Machinery equipment | 25,748 | \$ - | \$ 26,607 | \$ - | \$ 859 | - |
| Other equipment | <u>4,113</u> | <u>-</u> | <u>3,301</u> | <u>-</u> | <u>143</u> | <u>955</u> |
| Total accumulated impairment | <u>29,861</u> | <u>\$ -</u> | <u>\$ 29,908</u> | <u>\$ -</u> | <u>\$ 1,002</u> | <u>955</u> |
| Net | <u>\$ 13,101,779</u> | | | | | <u>\$ 12,684,570</u> |

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

| | |
|----------------------------|------------|
| Buildings | |
| Main buildings | 3-60 years |
| Electrical power equipment | 5-10 years |
| Others | 5-10 years |
| Machinery equipment | 2-13 years |
| Transportation equipment | 1-8 years |
| Office equipment | 1-20 years |
| Furniture and fixtures | 3-20 years |
| Other equipment | 1-15 years |

16. LEASE ARRANGEMENTS

a. Right-of-use assets

| | <u>December 31</u> | |
|---|--|---------------------|
| | 2025 | 2024 |
| <u>Carrying amount</u> | | |
| Land | \$ 1,908,712 | \$ 1,970,142 |
| Buildings | 1,116,863 | 1,343,102 |
| Others | <u>104,432</u> | <u>119,586</u> |
| | <u>\$ 3,130,007</u> | <u>\$ 3,432,830</u> |
| | <u>For the Year Ended December 31</u> | |
| | 2025 | 2024 |
| Additions to right-of-use assets | <u>\$ 307,450</u> | <u>\$ 890,576</u> |
| Depreciation charge for right-of-use assets | | |
| Land | \$ 62,345 | \$ 35,442 |
| Buildings | 384,331 | 372,477 |
| Others | <u>93,755</u> | <u>81,821</u> |
| | <u>\$ 540,431</u> | <u>\$ 489,740</u> |

Except for the additions and recognized depreciation expenses listed above, the Group's right-of-use assets did not have any significant subleases or impairment for the years ended December 31, 2025 and 2024.

b. Lease liabilities

| | <u>December 31</u> | |
|------------------------|---------------------|---------------------|
| | 2025 | 2024 |
| <u>Carrying amount</u> | | |
| Current | <u>\$ 571,412</u> | <u>\$ 626,222</u> |
| Non-current | <u>\$ 1,058,917</u> | <u>\$ 1,182,831</u> |

Range of discount rates (%) for lease liabilities was as follows:

| | December 31 | |
|-----------|--------------------|-------------|
| | 2025 | 2024 |
| Land | 0.26-5.25 | 0.26-5.25 |
| Buildings | 0.17-8.00 | 0.17-12.88 |
| Others | 0.17-13.52 | 0.17-13.52 |

c. Material leasing activities and terms

The Group leases land and buildings for the use of headquarters offices, plants, employee dormitories and retail stores from Central Taiwan Science Park Bureau, Ministry of Science and Technology and other lessors with lease terms ranging from 1 to 20 years. The Group does not have bargain purchase options to acquire the underlying assets at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

The Group acquired land use rights from the government of the People's Republic of China and Vietnam. The land use rights may be subleased or assigned to third parties under the agreement. The leased land was utilized to construct manufacturing facilities, office buildings and employee dormitory facilities.

17. OTHER INTANGIBLE ASSETS

| | Computer Software | Patent | Trademark | Others | Total |
|---|------------------------------|-------------------|-------------------|------------------|---------------------|
| <u>Cost</u> | | | | | |
| Balance at January 1, 2025 | \$ 1,324,975 | \$ 173,263 | \$ 297,070 | \$ 85,130 | \$ 1,880,438 |
| Additions | 169,654 | - | - | 3,294 | 172,948 |
| Reclassifications | 89,540 | - | - | - | 89,540 |
| Disposals | (26,174) | - | - | (253) | (26,427) |
| Effects of foreign currency exchange differences | <u>6,357</u> | <u>37</u> | <u>-</u> | <u>693</u> | <u>7,087</u> |
| Balance at December 31, 2025 | <u>\$ 1,564,352</u> | <u>\$ 173,300</u> | <u>\$ 297,070</u> | <u>\$ 88,864</u> | <u>\$ 2,123,586</u> |
| <u>Accumulated amortization</u> | | | | | |
| Balance at January 1, 2025 | \$ 957,144 | \$ 5,826 | \$ 7,545 | \$ 60,087 | \$ 1,030,602 |
| Amortization expense | 179,916 | 12,361 | 54,757 | 10,765 | 257,799 |
| Disposals | (26,174) | - | - | (253) | (26,427) |
| Effects of foreign currency exchange differences | <u>10,323</u> | <u>42</u> | <u>-</u> | <u>889</u> | <u>11,254</u> |
| Balance at December 31, 2025 | <u>\$ 1,121,209</u> | <u>\$ 18,229</u> | <u>\$ 62,302</u> | <u>\$ 71,488</u> | <u>\$ 1,273,228</u> |
| Carrying amount at December 31, 2025 | <u>\$ 443,143</u> | <u>\$ 155,071</u> | <u>\$ 234,768</u> | <u>\$ 17,376</u> | <u>\$ 850,358</u> |

| | Computer Software | Patent | Trademark | Others | Total |
|---|------------------------------|-------------------|-------------------|------------------|---------------------|
| <u>Cost</u> | | | | | |
| Balance at January 1, 2024 | \$ 1,063,220 | \$ 4,065 | \$ 3,523 | \$ 76,701 | \$ 1,147,509 |
| Additions | 218,068 | 168,988 | 293,547 | 5,514 | 686,117 |
| Reclassifications | 31,850 | - | - | - | 31,850 |
| Disposals | (2,639) | - | - | - | (2,639) |
| Effects of foreign currency exchange differences | <u>14,476</u> | <u>210</u> | <u>-</u> | <u>2,915</u> | <u>17,601</u> |
| Balance at December 31, 2024 | <u>\$ 1,324,975</u> | <u>\$ 173,263</u> | <u>\$ 297,070</u> | <u>\$ 85,130</u> | <u>\$ 1,880,438</u> |
| <u>Accumulated amortization</u> | | | | | |
| Balance at January 1, 2024 | \$ 764,008 | \$ 4,065 | \$ 2,683 | \$ 46,136 | \$ 816,892 |
| Amortization expense | 187,600 | 1,597 | 4,862 | 12,002 | 206,061 |
| Disposals | (2,555) | - | - | - | (2,555) |
| Effects of foreign currency exchange differences | <u>8,091</u> | <u>164</u> | <u>-</u> | <u>1,949</u> | <u>10,204</u> |
| Balance at December 31, 2024 | <u>\$ 957,144</u> | <u>\$ 5,826</u> | <u>\$ 7,545</u> | <u>\$ 60,087</u> | <u>\$ 1,030,602</u> |
| Carrying amount at December 31, 2024 | <u>\$ 367,831</u> | <u>\$ 167,437</u> | <u>\$ 289,525</u> | <u>\$ 25,043</u> | <u>\$ 849,836</u> |

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

| | |
|-------------------|------------|
| Computer software | 1-10 years |
| Patent | 3-16 years |
| Trademark | 5-10 years |
| Others | 2-15 years |

Amortization expense aggregated by function:

| | <u>For the Year Ended December 31</u> | |
|--------------------|---------------------------------------|-------------------|
| | 2025 | 2024 |
| Operating costs | \$ 26,137 | \$ 24,145 |
| Operating expenses | <u>231,662</u> | <u>181,916</u> |
| | <u>\$ 257,799</u> | <u>\$ 206,061</u> |

18. LOANS

a. Short-term bank loans

| | <u>December 31</u> | |
|-------------------------|---------------------|----------------------|
| | 2025 | 2024 |
| Credit loans | \$ 6,708,292 | \$ 13,136,415 |
| Secured loans (Note 32) | <u>662,246</u> | <u>274,377</u> |
| | <u>\$ 7,370,538</u> | <u>\$ 13,410,792</u> |

| | | |
|---------------------------|-----------|-------------|
| <u>Interest rates (%)</u> | | |
| Credit loans | 0.85-9.39 | 0.58-13.11 |
| Secured loans | 2.31-4.60 | 5.37 |
| | | (Concluded) |

b. Long-term bank loans

| | <u>December 31</u> | |
|--|---------------------|---------------------|
| | <u>2025</u> | <u>2024</u> |
| Credit loans | \$ 4,615,874 | \$ 3,553,658 |
| Less: Current portion of long-term loans | (854,357) | (503,691) |
| Discounts on government grants | <u>(15,735)</u> | <u>(27,097)</u> |
| | <u>\$ 3,745,782</u> | <u>\$ 3,022,870</u> |
| Effective interest rates (%) | 0.73-6.30 | 0.52-5.10 |
| Maturity Date | 2026-2030 | 2025-2030 |

As of December 31, 2025, the Group received a preferential interest rate loan of \$1,799,000 thousand from the government's "Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan". The amount was used in capital expenditure and working capital. The loan was expected to be repaid in installments from 2022, and the loan originally due in December 2029 has been extended to mature in December 2030. The fair value of the loan was estimated using the prevailing market interest rate at an equivalent loan rate of 1.35%-1.6%. The difference between the proceeds and the fair value of the loan was the benefit derived from the preferential interest rate loan and has been recognized as deferred revenue. The deferred revenue was transferred to other income over the term of the loan. If the Company fails to meet the key points in the agreement during the loan period and the National Development Fund terminates the grant, the Company shall pay the interest at the original interest rate plus an additional annual interest rate.

The Company entered into a joint credit agreement with a syndicate of financial institutions, such as Taishin International Bank in October 2025. According to the joint credit agreement, during the term of the agreement or until full repayment, the Company shall ensure that both the annual consolidated financial statements audited by independent auditors and the second quarter consolidated financial statements reviewed by independent auditors comply with the following financial ratios at all times:

- 1) The current ratio shall be maintained at 100% or above.
- 2) The net financial liabilities ratio shall remain below 100%(inclusive).
- 3) The interest coverage ratio shall remain above 3(inclusive).

The annual consolidated financial statements are in compliance with all of its financial ratio restrictions. As of December 31, 2025, the credit facility had not been utilized yet.

19. BONDS PAYABLE

| | <u>December 31</u> | |
|--------------------------------------|--------------------|--------------------|
| | <u>2025</u> | <u>2024</u> |
| Domestic unsecured convertible bonds | \$ - | \$ 3,865,145 |
| Less: Current portion | <u>-</u> | <u>(3,865,145)</u> |
| | <u>\$ -</u> | <u>\$ -</u> |

The Company issued 40,000 units of domestic unsecured convertible bonds with a principal amount of \$100 thousand at an issue price of 100.5% of the principal amount, and a 0% coupon rate, for a total amount of \$4,020,000 thousand on June 13, 2022. The bonds have a maturity of five years and the maturity date is June 13, 2027.

Bondholders may convert the bonds into ordinary shares of the Company at a conversion price of \$290.7 per share during the conversion period from September 14, 2022 to June 13, 2027. The conversion price of the convertible bonds shall be adjusted in accordance with the conversion price adjustment formula if any ex-rights or ex-dividend events occur between the determination date and the actual issuance date. Due to the Company's cash dividend distribution in 2025, the conversion price of the convertible bonds has been adjusted in accordance with the issuance and conversion terms. The adjusted conversion price is \$255 per share, effective from September 1, 2025. Bonds held until maturity will be redeemed in cash at the principal amount. Other major terms are as follows:

a. Put option of the bondholders

Bondholders may request the Company to redeem the convertible bonds three years after the issue date (the put date is June 13, 2025) at the principal amount. Upon such request, the Company shall redeem the bonds in cash.

b. Redemption right of the Company

Between the day immediately following 3 months from the issue date (i.e., September 14, 2022) and 40 days prior to the maturity date (i.e., May 4, 2027), the Company may redeem the outstanding convertible bonds in cash at the principal amount in accordance with the relevant rules when the closing price of the Company's ordinary shares exceeds the conversion price at that time by 30% (inclusive) for a period of thirty consecutive trading days or when the balance of the outstanding bonds is less than 10% of the issue amount.

The convertible bonds contain a liability component and an equity component. The equity component is presented as capital surplus - stock options. For the liability component, the effective interest rate at initial recognition is 1.399%. Derivatives from the redemption right and put option are recognized as financial liabilities at fair value through profit or loss - current at the net amount.

Bondholders exercised their put options in June 2025, and the Company exercised its redemption right in October 2025 and terminated the over-the-counter trading of the convertible bonds, resulting in the recognition of a loss on redemption of bonds payable of \$57,274 thousand. The changes in the master contract and the embedded derivatives related to the redemption right and put option from the issuance date to December 31, 2025, are as follows:

| | |
|---|------------------|
| Proceeds from issuance (net of transaction cost of \$4,810 thousand) | \$ 4,015,190 |
| Equity component (net of transaction cost allocated to the equity component of \$317 thousand) | (263,283) |
| Derivatives from the redemption right and put option | <u>(22,000)</u> |
| Liability component as of the issue date (net of transaction cost allocated to the liability component of \$4,493 thousand) | 3,729,907 |
| Interest calculated using the effective interest rate of 1.399% | <u>135,238</u> |
| Liability component as of December 31, 2024 | 3,865,145 |
| Interest calculated using the effective interest rate of 1.399% | 25,153 |
| Exercise of Bondholders' put option | (3,776,017) |
| Conversion into ordinary shares | (194) |
| Exercises of the Company's redemption rights | <u>(114,087)</u> |
| Liability component as of December 31, 2025 | <u>\$ -</u> |

20. OTHER PAYABLES

| | <u>December 31</u> | |
|---|---------------------|---------------------|
| | <u>2025</u> | <u>2024</u> |
| Payables for salaries and bonuses | \$ 3,340,480 | \$ 3,717,450 |
| Payables for acquisitions of equipment | 298,032 | 307,394 |
| Payables for unused annual leave | 227,652 | 197,708 |
| Payable for compensation to employees and remuneration of directors | 85,207 | 201,356 |
| Others | <u>4,913,225</u> | <u>4,670,592</u> |
| | <u>\$ 8,864,596</u> | <u>\$ 9,094,500</u> |

21. PROVISIONS

| | <u>December 31</u> | |
|--|--------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| <u>Current</u> | | |
| Warranties (a) | \$ 273,734 | \$ 239,969 |
| Sales returns and allowances (b) | <u>97,119</u> | <u>94,084</u> |
| | <u>\$ 370,853</u> | <u>\$ 334,053</u> |
| <u>Non-current (classified as other non-current liabilities)</u> | | |
| Warranties (a) | \$ 18,050 | \$ 9,658 |
| Decommissioning (c) | <u>14,694</u> | <u>14,725</u> |
| | <u>\$ 32,744</u> | <u>\$ 24,383</u> |

- a. The provision for warranty claims represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under sale contracts. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.
- b. The provision for sales returns and allowances was based on historical experience, management's judgments and other known reasons estimated product returns and rebates may occur in the year. The provision was recognized as a reduction of operating income in the year of the related goods sold.
- c. The provision for decommissioning consists of estimated costs of dismantling and removal of structure and recovery of the site at the end of the lease period.

22. RETIREMENT BENEFIT PLANS

- a. Defined contribution plans

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

The employees of the Group's subsidiaries in China, Vietnam, the USA, and Europe are required to contribute a specified percentage of payroll costs to the retirement benefit based on their local law requirements. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

b. Defined benefit plans

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

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

| | December 31 | |
|---|---------------------|--------------------|
| | 2025 | 2024 |
| Present value of defined benefit obligation | \$ 366,770 | \$ 421,881 |
| Fair value of plan assets | <u>(479,004)</u> | <u>(497,187)</u> |
| Net defined benefit assets | <u>\$ (112,234)</u> | <u>\$ (75,306)</u> |

Movements in net defined benefit assets were as follows:

| | Present Value of the Defined Benefit Obligation | Fair Value of the Plan Assets | Net Defined Benefit Liabilities (Assets) |
|---|--|--|---|
| Balance at January 1, 2024 | \$ 604,568 | \$ (601,954) | \$ 2,614 |
| Service cost | | | |
| Current service cost | 1,005 | - | 1,005 |
| Net interest expense (income) | <u>7,520</u> | <u>(7,634)</u> | <u>(114)</u> |
| Recognized in profit or loss | <u>8,525</u> | <u>(7,634)</u> | <u>891</u> |
| Remeasurement | | | |
| Return on plan assets (excluding amounts included in net interest) | - | (52,886) | (52,886) |
| Actuarial gain - changes in financial assumptions | (7,683) | - | (7,683) |
| Actuarial gain - experience adjustments | <u>(7,172)</u> | <u>-</u> | <u>(7,172)</u> |
| Recognized in other comprehensive income | <u>(14,855)</u> | <u>(52,886)</u> | <u>(67,741)</u> |
| Contributions from the employer | - | (11,070) | (11,070) |
| Benefits paid | <u>(176,357)</u> | <u>176,357</u> | <u>-</u> |
| Balance at December 31, 2024 | <u>421,881</u> | <u>(497,187)</u> | <u>(75,306)</u> |

(Continued)

| | | | |
|--|-------------------|---------------------|---------------------|
| Service cost | | | |
| Current service cost | \$ 556 | \$ - | \$ 556 |
| Past service cost | 1,881 | - | 1,881 |
| Net interest expense (income) | <u>6,295</u> | <u>(7,488)</u> | <u>(1,193)</u> |
| Recognized in profit or loss | <u>8,732</u> | <u>(7,488)</u> | <u>1,244</u> |
| Remeasurement | | | |
| Return on plan assets (excluding amounts included in net interest) | - | (35,406) | (35,406) |
| Actuarial loss - changes in financial assumptions | 5,830 | - | 5,830 |
| Actuarial loss - experience adjustments | <u>25,223</u> | <u>-</u> | <u>25,223</u> |
| Recognized in other comprehensive income | <u>31,053</u> | <u>(35,406)</u> | <u>(4,353)</u> |
| Contributions from the employer | - | (8,106) | (8,106) |
| Benefits paid | (69,183) | 69,183 | - |
| Paid from the employer | <u>(25,713)</u> | <u>-</u> | <u>(25,713)</u> |
| Balance at December 31, 2025 | <u>\$ 366,770</u> | <u>\$ (479,004)</u> | <u>\$ (112,234)</u> |

(Concluded)

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

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated using the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

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

| | <u>December 31</u> | |
|---------------------------------------|--------------------|-------------|
| | <u>2025</u> | <u>2024</u> |
| Discount rates (%) | 1.25 | 1.25-1.38 |
| Expected rates of salary increase (%) | 2.50 | 2.50 |

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

| | <u>December 31</u> | |
|----------------|--------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| Discount rates | | |
| 0.25% increase | <u>\$ (5,892)</u> | <u>\$ (7,522)</u> |
| 0.25% decrease | <u>\$ 6,063</u> | <u>\$ 7,748</u> |

| | | |
|-----------------------------------|------------|------------|
| Expected rates of salary increase | | |
| 0.25% increase | \$ 5,890 | \$ 7,544 |
| 0.25% decrease | \$ (5,754) | \$ (7,362) |

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

| | <u>December 31</u> | |
|---|--------------------|---------------|
| | 2025 | 2024 |
| Expected contributions to the plans for the next year | \$ 7,797 | \$ 7,107 |
| Average duration of the defined benefit obligation | 4.2-7.6 years | 4.9-7.4 years |

23. EQUITY

a. Ordinary shares

| | <u>December 31</u> | |
|---|--------------------|--------------|
| | 2025 | 2024 |
| Shares authorized (in thousands of shares) | 495,000 | 495,000 |
| Shares authorized | \$ 4,950,000 | \$ 4,950,000 |
| Shares issued and paid (in thousands of shares) | 392,065 | 392,065 |
| Shares issued and paid | \$ 3,920,654 | \$ 3,920,646 |

The convertible bondholders requested conversion of \$8 thousand for the year ended December 31, 2025, resulting in the issuance of 0.8 thousand ordinary shares. The Board of Directors resolved to set August 11, 2025 as the record date for the capital increase. The registration has completed on August 14, 2025.

b. Capital surplus

| | <u>December 31</u> | |
|---|---------------------|---------------------|
| | 2025 | 2024 |
| <u>May be used to offset a deficit, distributed as cash dividends or transferred to share capital (1)</u> | | |
| Additional paid-in capital | \$ 4,284,624 | \$ 4,284,624 |
| Expired stock options | 263,270 | - |
| Conversion of bonds | 203 | - |
| <u>May only be used to offset a deficit</u> | | |
| Changes in percentage of ownership interests in subsidiaries | 71,570 | 71,570 |
| Changes in equity of associates accounted for using the equity method | 89,664 | 50,375 |
| Change in capital surplus from investments in associates accounted for using the equity method | 1,245 | 1,245 |
| <u>May not be used for any purpose</u> | | |
| Recognition of equity component of convertible bonds | - | 263,283 |
| Employee share options | 95,401 | 95,401 |
| Others | 180 | 180 |
| | <u>\$ 4,806,157</u> | <u>\$ 4,766,678</u> |

- 1) Such capital surplus may only be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's paid-in capital and to once a year).

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Articles, where the Company makes a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with applicable laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

The Company's dividend policy is stipulated based on its current and future development plans, together with the consideration of the investment environment, capital requirements, domestic and international competition, and shareholders' interests. Earnings distribution to common shareholders shall not be less than 20% of distributable earnings. Dividends may be distributed to shareholders in cash or shares, with cash dividends being no less than 20% of the total dividends.

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

Items referred to under Rule No. 109015022 issued by the FSC and in the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRS Accounting Standards" should be appropriated to or reversed from a special reserve by the Company.

The appropriation of earnings for 2024 and 2023 approved at the shareholders' meetings held in June 2025 and 2024, respectively, were as follows:

| | Appropriation of Earnings | | Dividends Per Share (NT\$) | |
|----------------------------|----------------------------------|-------------|-----------------------------------|-------------|
| | 2024 | 2023 | 2024 | 2023 |
| Legal reserve | \$ 131,821 | \$ 345,285 | | |
| Special reserve (reversed) | (676,587) | 79,925 | | |
| Cash dividends | 862,542 | 1,960,323 | \$ 2.2 | \$ 5 |

At the shareholders' meeting held in June 2025, a resolution was passed authorizing the Chairman to adjust the cash dividend distribution rate for 2024, following the conversion of convertible bonds into ordinary shares, which resulted in an increase in the number of shares outstanding. Consequently, the dividend per share was adjusted from \$2.2 to \$2.19999568.

The appropriation of earnings for 2025 proposed at the Company's board of directors held in March 2026 was as follows:

| | Appropriation of Earnings | Dividends Per Share (NT\$) |
|--------------------------|----------------------------------|-----------------------------------|
| Legal reserve | \$ 72,681 | |
| Special reserve reversed | (402,759) | |
| Cash dividends | | \$ 1.8 |

The appropriation of earnings for 2025 is subject to the resolution of the shareholders in their meeting to be held in June 2026.

d. Special reserve

The increase in retained earnings that resulted from the first-time adoption of IFRS Accounting Standards was not enough for this appropriation; therefore, the Company appropriated for special reserve an amount of \$677,989 thousand, the increase in retained earnings that resulted from all IFRS Accounting Standards adjustments on the transition to IFRSs. The reversal of special reserve that resulted from disposal of subsidiaries was \$71,253 thousand and \$476 thousand in 2015 and 2013, respectively.

The special reserve appropriated on the first-time adoption of IFRS Accounting Standards relating to land may be reversed on disposal or reclassification. A proportionate share of the special reserve relating to exchange differences on translating the financial statements of foreign operations (including the subsidiaries of the Company) will be reversed on the Group's disposal of foreign operations; in the Group's loss of significant influence, however, the entire special reserve will be reversed.

24. REVENUE

| | For the Year Ended December 31 | |
|---------------------------------------|---------------------------------------|----------------------|
| | 2025 | 2024 |
| Revenue from contracts with customers | | |
| Revenue from the sale of goods | \$ 56,780,545 | \$ 67,601,453 |
| Others | <u>3,473,418</u> | <u>3,677,319</u> |
| | <u>\$ 60,253,963</u> | <u>\$ 71,278,772</u> |

a. Contract balances

| | December 31 | | January 1 |
|-------------------------------------|---------------------|----------------------|----------------------|
| | 2025 | 2024 | 2024 |
| Notes Receivable | \$ 254,129 | \$ 109,018 | \$ 124,617 |
| Accounts Receivable | <u>9,189,673</u> | <u>10,694,425</u> | <u>11,937,207</u> |
| | <u>\$ 9,443,802</u> | <u>\$ 10,803,443</u> | <u>\$ 12,061,824</u> |
| Contract assets | | | |
| Others | \$ 767,970 | \$ 1,124,032 | \$ 612,634 |
| Less: Allowance for impairment loss | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u>\$ 767,970</u> | <u>\$ 1,124,032</u> | <u>\$ 612,634</u> |
| Contract Liabilities | | | |
| Revenue from the sale of goods | <u>\$ 233,854</u> | <u>\$ 235,024</u> | <u>\$ 184,768</u> |

The changes in the balance of contract liabilities primarily resulted from the timing difference between the date the Group fulfills its performance obligation and the date the customer's payment is received. Revenue recognized during 2025 and 2024 that was included in the contract liability balance at the beginning of each year amounted to \$235,024 thousand and \$184,768 thousand, respectively.

b. Disaggregation of revenue from contracts with customers

Refer to Note 36 for details of revenue information.

25. NET PROFIT

a. Finance costs

| | For the Year Ended December 31 | |
|---|---------------------------------------|---------------------|
| | 2025 | 2024 |
| Interest on bank loans | \$ 598,398 | \$ 1,005,603 |
| Interest on lease liabilities | 35,541 | 28,370 |
| Interest on convertible corporate bonds | <u>25,153</u> | <u>53,667</u> |
| | <u>\$ 659,092</u> | <u>\$ 1,087,640</u> |

b. Other income

| | For the Year Ended December 31 | |
|-------------------|---------------------------------------|-------------------|
| | 2025 | 2024 |
| Government grants | \$ 199,026 | \$ 377,269 |
| Others | <u>321,238</u> | <u>283,995</u> |
| | <u>\$ 520,264</u> | <u>\$ 661,264</u> |

c. Other gains and losses

| | For the Year Ended December 31 | |
|--|---------------------------------------|-------------------|
| | 2025 | 2024 |
| Foreign exchange gain (loss), net | \$ 240,585 | \$ 398,223 |
| Valuation loss on financial assets and liabilities at FVTPL, net | (90,885) | (137,698) |
| Loss on financial liabilities at amortized cost (Note 19) | (57,274) | - |
| Others (Note 15) | <u>(25,202)</u> | <u>(9,415)</u> |
| | <u>\$ 67,224</u> | <u>\$ 251,110</u> |

d. Employee benefits expense, depreciation and amortization

| | For the Year Ended December 31 | | | | | |
|--|---------------------------------------|--|--------------|--------------------|--|--------------|
| | 2025 | | | 2024 | | |
| Nature | Operating Costs | Operating and Non-operating Expenses and Losses | Total | Operating Costs | Operating and Non-operating Expenses and Losses | Total |
| Short-term employee benefits | \$ 4,662,234 | \$ 2,895,205 | \$ 7,557,439 | \$ 5,068,243 | \$ 3,297,439 | \$ 8,365,682 |
| Labor insurance, health insurance and social welfare insurance | 535,176 | 378,932 | 914,108 | 503,508 | 382,553 | 886,061 |
| Post-employment benefits | | | | | | |
| Defined contribution plans | 423,754 | 220,327 | 644,081 | 420,954 | 215,303 | 636,257 |
| Defined benefit plans | 299 | 945 | 1,244 | 286 | 605 | 891 |
| Other employee benefits | 415,091 | 265,376 | 680,467 | 431,614 | 332,644 | 764,258 |
| Depreciation and amortization expenses | 1,165,078 | 1,388,995 | 2,554,073 | 1,178,848 | 1,357,147 | 2,535,995 |

e. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at percentages ranging from 6%-12% and no higher than 2%, respectively, of

net profit before income tax, compensation of employees and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company resolved and approved the amendments to the Company's Articles at its 2025 general meeting. The amendments explicitly stipulate the allocation of 30% of the employee's compensation as compensation distributions for non-executive employees. The compensation of employees and the remuneration of directors accrued for the years ended December 31, 2025 and 2024, which were approved by the Company's board of directors in March 2026 and March 2025, respectively, were as follows:

| | For the Year Ended December 31 | | | |
|---------------------------|---------------------------------------|---------------|-------------------------------|---------------|
| | 2025 | | 2024 | |
| | Accrual Percentage | Amount | Accrual Percentage | Amount |
| Compensation of employees | 7.1% | \$ 66,473 | 7.0% | \$ 156,808 |
| Remuneration of directors | 2.0% | 18,734 | 2.0% | 44,548 |

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

There was no difference between the actual amounts of compensation of employees and remuneration of directors and supervisors paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2024 and 2023.

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

26. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense were as follows:

| | For the Year Ended December 31 | |
|---|---------------------------------------|-------------------|
| | 2025 | 2024 |
| Current tax | | |
| In respect of the current year | \$ 420,587 | \$ 1,723,000 |
| Income tax on unappropriated earnings | 31,861 | 19,904 |
| Adjustments for prior year | 3,557 | (274,416) |
| Others | <u>41,325</u> | <u>(124,250)</u> |
| | 497,330 | 1,344,238 |
| Deferred tax | | |
| In respect of the current year | 36,249 | (485,988) |
| Adjustments for prior year | <u>(15,533)</u> | <u>18,668</u> |
| | <u>20,716</u> | <u>(467,320)</u> |
| Income tax expense recognized in profit or loss | <u>\$ 518,046</u> | <u>\$ 876,918</u> |

A reconciliation of accounting profit to income tax expenses is as follows:

| | For the Year Ended December 31 | |
|---|---------------------------------------|-------------------|
| | 2025 | 2024 |
| Income tax expense calculated at the statutory rate | \$ 644,292 | \$ 1,066,287 |
| Tax effect of adjustment item | | |
| Tax-exempt income and expenses that are not deductible for tax purposes | (246,558) | (198,810) |
| Income tax on unappropriated earnings | 31,861 | 19,904 |
| Used/unused investment tax credits in the current year | (27,507) | (23,283) |
| Deferred tax effect on undistributed earnings of subsidiaries | 86,609 | 392,818 |
| Adjustments for prior years' tax | (11,976) | (255,748) |
| Others | <u>41,325</u> | <u>(124,250)</u> |
| Income tax expense recognized in profit or loss | <u>\$ 518,046</u> | <u>\$ 876,918</u> |

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

| | For the Year Ended December 31, 2025 | | | | |
|--|---|-------------------------------------|---|-----------------------------|------------------------|
| | Opening Balance | Recognized in Profit or Loss | Recognized in Other Comprehensive Income | Exchange Differences | Closing Balance |
| <u>Deferred Tax Assets</u> | | | | | |
| Temporary differences | | | | | |
| Exchange differences on translating the financial statements of foreign operations | \$ 352,088 | \$ - | \$ (101,313) | \$ - | \$ 250,775 |
| Unrealized gains on intercompany transactions | 342,292 | (145,215) | - | - | 197,077 |
| Provision for loss on inventories | 323,431 | 68,130 | - | 1,639 | 393,200 |
| Other payables | 316,056 | (13,704) | - | 34 | 302,386 |
| Loss allowance of accounts receivable | 136,904 | (36,802) | - | (50) | 100,052 |
| Others | <u>1,383,347</u> | <u>303,860</u> | <u>-</u> | <u>20,474</u> | <u>1,707,681</u> |
| | <u>\$ 2,854,118</u> | <u>\$ 176,269</u> | <u>\$ (101,313)</u> | <u>\$ 22,097</u> | <u>\$ 2,951,171</u> |
| <u>Deferred Tax Liabilities</u> | | | | | |
| Temporary differences | | | | | |
| Investments accounted for using the equity method | \$ 1,842,574 | \$ 141,235 | \$ - | \$ (18,888) | \$ 1,964,921 |
| Reserve for land revaluation increment tax | 98,974 | - | - | - | 98,974 |
| Defined benefit plans | 46,519 | 4,515 | 871 | - | 51,905 |
| Others | <u>46,829</u> | <u>51,235</u> | <u>-</u> | <u>21,213</u> | <u>119,277</u> |
| | <u>\$ 2,034,896</u> | <u>\$ 196,985</u> | <u>\$ 871</u> | <u>\$ 2,325</u> | <u>\$ 2,235,077</u> |

For the Year Ended December 31, 2024

| | Opening Balance | Recognized in Profit or Loss | Recognized in Other Comprehensive Income | Exchange Differences | Closing Balance |
|--|----------------------------|---|---|---------------------------------|----------------------------|
| <u>Deferred Tax Assets</u> | | | | | |
| Temporary differences | | | | | |
| Exchange differences on translating the financial statements of foreign operations | \$ 520,021 | \$ - | \$ (167,933) | \$ - | \$ 352,088 |
| Unrealized gains on intercompany transactions | 514,099 | (171,807) | - | - | 342,292 |
| Other payables | 246,136 | 76,607 | - | 688 | 323,431 |
| Provision for loss on inventories | 326,172 | (14,055) | - | 3,939 | 316,056 |
| Loss allowance of accounts receivable | 165,054 | (28,603) | - | 453 | 136,904 |
| Others | <u>903,384</u> | <u>470,831</u> | <u>(9,424)</u> | <u>18,556</u> | <u>1,383,347</u> |
| | <u>\$ 2,674,866</u> | <u>\$ 332,973</u> | <u>\$ (177,357)</u> | <u>\$ 23,636</u> | <u>\$ 2,854,118</u> |

(Continued)

Deferred Tax Liabilities

| | | | | | |
|---|---------------------|---------------------|-----------------|------------------|---------------------|
| Temporary differences | | | | | |
| Investments accounted for using the equity method | \$ 1,974,865 | \$ (169,888) | \$ - | \$ 37,597 | \$ 1,842,574 |
| Reserve for land revaluation increment tax | 98,974 | - | - | - | 98,974 |
| Defined benefit plans | 43,502 | (1,107) | 4,124 | - | 46,519 |
| Others | <u>8,239</u> | <u>36,648</u> | <u>-</u> | <u>1,942</u> | <u>46,829</u> |
| | <u>\$ 2,125,580</u> | <u>\$ (134,347)</u> | <u>\$ 4,124</u> | <u>\$ 39,539</u> | <u>\$ 2,034,896</u> |

(Concluded)

- c. Unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets

| | <u>December 31</u> | |
|--------------------------|--------------------|------------------|
| | 2025 | 2024 |
| Loss carryforwards | | |
| Expire from 2024 to 2030 | <u>\$ 45,342</u> | <u>\$ 48,390</u> |

- d. Information on unused investment tax credits and unused loss carryforwards

As of December 31, 2025, investment tax credits comprised:

| Laws and Statutes | Tax Credit Source | Remaining Creditable Amount | Expiry Year |
|-----------------------------------|---------------------------------------|--|------------------------|
| Statute for Industrial Innovation | Research and development expenditures | \$ 253,201 | 2027 |
| | Purchase of machinery and equipment | <u>72,906</u> | 2027 |
| | | <u>\$ 326,107</u> | |

Loss carryforwards as of December 31, 2025 comprised:

| Unused Amount | Expiry Year |
|----------------------|--------------------|
| <u>\$ 1,115,775</u> | 2035 |

e. Income tax assessments

The income tax returns of the Company as well as those of AIPS, Giant Sales, Giant Adventure and YouBike through 2023 have been assessed by the tax authorities.

f. Pillar Two income taxes

The government where Growood, Golden Rich, Giant Polska, Innovation Tech, Giant Australia, Giant Vietnam Mfg., Giant SEA Bicycle, Giant Thailand, D.Mag Precision, D.Mag Light Metal, Giant Japan, Giant Korea, Giant UK, Giant Germany, Gaiwin, Giant Europe Mfg., Giant Europe, Giant Benelux, Giant Hungary Mfg., Giant Canada, Giant France and Giant Italy are incorporated, have enacted or substantively enacted the Pillar Two income tax legislation. Under the legislation, the above subsidiaries will be required to pay a top-up tax in their respective countries of incorporation on the profits of their group entities that are taxed at an effective tax rate of less than 15 percent. As of December 31, 2025, the exposures of the Pillar Two income tax had no significant impact on the Group's income tax. The Group is continuing to assess the impact of the Pillar Two income tax legislation on its future financial performance.

27. EARNINGS PER SHARE

| | Net profit Attributable to Owners of the Company | Number of Shares (In Thousands) | Earnings Per Share (NTD) |
|---|---|--|---|
| <u>For the year ended December 31, 2025</u> | | | |
| Basic earnings per share | | | |
| Profit for the year attributable to owners of the Company | \$ 723,329 | 392,065 | <u>\$ 1.84</u> |
| Effect of potentially dilutive ordinary shares | | | |
| Compensation of employees | <u>-</u> | <u>914</u> | |
| Diluted earnings per share | | | |
| Profit for the year attributable to owners of the Company plus effect of potentially dilutive ordinary shares | <u>\$ 723,329</u> | <u>392,979</u> | <u>\$ 1.84</u> |
| <u>For the year ended December 31, 2024</u> | | | |
| Basic earnings per share | | | |
| Profit for the year attributable to owners of the Company | \$ 1,264,013 | 392,065 | <u>\$ 3.22</u> |
| Effect of potentially dilutive ordinary shares | | | |
| Compensation of employees | - | 1,402 | |
| Convertible bonds | <u>42,934</u> | <u>13,720</u> | |
| Diluted earnings per share | | | |
| Profit for the year attributable to owners of the Company plus effect of potentially dilutive ordinary shares | <u>\$ 1,306,947</u> | <u>407,187</u> | <u>\$ 3.21</u> |

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

If the outstanding convertible bonds issued by the Company were converted into ordinary shares for the calculation of diluted earnings per share for the year 2025, they would be anti-dilutive and, therefore, excluded from the computation.

28. ACQUISITION OF A GROUP OF ASSETS THAT DOES NOT CONSTITUTE A BUSINESS

In order to expand its business SPIA acquired certain assets of Foundation Fitness, LLC and its associates for a consideration of US\$20,100 thousand in September 2024. In accordance with IFRS 3, the Group evaluated and concluded that the acquisition of group of assets did not constitute a business; therefore, the asset purchase transaction is accounted for as acquisition of a group of assets.

The information relating to the assets acquired and the relevant net cash outflow on the date of acquisition:

a. Assets acquired

| | |
|-------------------------------|-------------------|
| Current assets | |
| Inventories | \$ 28,231 |
| Non - current assets | |
| Property, plant and equipment | 16,491 |
| Intangible assets | <u>591,463</u> |
| | <u>\$ 636,185</u> |

b. Net cash outflow on the acquisition of group of assets.

| | |
|---------------------------------|-------------------|
| Cash consideration paid in 2024 | <u>\$ 636,185</u> |
|---------------------------------|-------------------|

29. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Company (comprising ordinary shares, capital surplus, retained earnings and other equity).

Key management of the Group reviews the capital structure on a quarterly basis. As part of this review, the key management considers the cost of capital and the risks associated with each class. Based on recommendations of the key management, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and the amount of new debt issued or existing debt redeemed.

30. FINANCIAL INSTRUMENTS

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

The management of the Group considers that the carrying amounts of financial assets and liabilities not measured at fair value approximate their fair values or the fair values cannot be reliably estimated.

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

1) Fair value hierarchy

| | Level 1 | Level 2 | Level 3 | Total |
|--|-----------------|-------------------|------------------|-------------------|
| <u>December 31, 2025</u> | | | | |
| Financial assets at FVTOCI | | | | |
| Domestic unlisted companies | \$ - | \$ - | \$ 26,968 | \$ 26,968 |
| Domestic listed companies | <u>951</u> | <u>-</u> | <u>-</u> | <u>951</u> |
| | <u>\$ 951</u> | <u>\$ -</u> | <u>\$ 26,968</u> | <u>\$ 27,919</u> |
| Financial liabilities at FVTPL | | | | |
| Cross-currency swap contracts | \$ - | \$ 139,487 | \$ - | \$ 139,487 |
| Foreign exchange forward contracts | <u>-</u> | <u>4,778</u> | <u>-</u> | <u>4,778</u> |
| | <u>\$ -</u> | <u>\$ 144,265</u> | <u>\$ -</u> | <u>\$ 144,265</u> |
| <u>December 31, 2024</u> | | | | |
| Financial assets at FVTPL | | | | |
| Foreign exchange forward contracts | <u>-</u> | <u>50</u> | <u>-</u> | <u>50</u> |
| Financial assets at FVTOCI | | | | |
| Domestic unlisted companies | \$ - | \$ - | \$ 28,752 | \$ 28,752 |
| Domestic listed companies | <u>1,253</u> | <u>-</u> | <u>-</u> | <u>1,253</u> |
| | <u>\$ 1,253</u> | <u>\$ -</u> | <u>\$ 28,752</u> | <u>\$ 30,005</u> |
| Financial liabilities at FVTPL | | | | |
| Redemption right and put option of convertible bonds | \$ - | \$ - | \$ 46,400 | \$ 46,400 |
| Foreign exchange forward contracts | <u>-</u> | <u>3,045</u> | <u>-</u> | <u>3,045</u> |
| | <u>\$ -</u> | <u>\$ 3,045</u> | <u>\$ 46,400</u> | <u>\$ 49,445</u> |

There was no transfer between Levels 1 and 2 for the years ended December 31, 2025 and 2024.

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

Debt investments classified as financial assets at FVTPL

| | For the Year Ended December 31 | |
|------------------------|---------------------------------------|-------------|
| | 2025 | 2024 |
| Balance at January 1 | \$ - | \$ - |
| Acquisitions | 216,640 | - |
| Disposals | <u>(216,640)</u> | <u>-</u> |
| Balance at December 31 | <u>\$ -</u> | <u>\$ -</u> |

Equity investments classified as financial assets at FVTOCI

| | For the Year Ended December 31 | |
|--|---------------------------------------|------------------|
| | 2025 | 2024 |
| Balance at January 1 | \$ 28,752 | \$ 58,804 |
| Recognized in other comprehensive income | (1,784) | 6,694 |
| Disposals | - | (37,871) |
| Effects of foreign currency exchange differences | <u>-</u> | <u>1,125</u> |
| Balance at December 31 | <u>\$ 26,968</u> | <u>\$ 28,752</u> |

Derivative investments classified as financial liabilities at FVTPL

| | For the Year Ended December 31 | |
|---|---------------------------------------|------------------|
| | 2025 | 2024 |
| Balance at January 1 | \$ 46,400 | \$ 33,200 |
| Recognized in profit or loss (Net loss on fair value changes of financial liabilities at FVTPL) | 10,874 | 13,200 |
| Settlements | <u>(57,274)</u> | <u>-</u> |
| Balance at December 31 | <u>\$ -</u> | <u>\$ 46,400</u> |

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

| <u>Financial Instruments</u> | <u>Valuation Techniques and Inputs</u> |
|--|--|
| Cross currency swap contracts and foreign exchange forward contracts | Discounted cash flows. Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract exchange rates, discounted at a rate that reflects the credit risk of various counterparties. |

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

| <u>Financial Instruments</u> | <u>Valuation Techniques and Inputs</u> |
|--|--|
| Equity investments of domestic unlisted companies and foreign unlisted companies | Calculated by reference to the net book value of the company based on its financial information, calculating the present value of profit and loss that is expected to be derived from holding such investment. |
| Redemption right and put option of convertible bonds | Valued using a binomial tree model for convertible bonds, based on conversion price volatility, risk-free interest rate, risk-adjusted discount rate, and remaining time to maturity. |

c. Categories of financial instruments

| | <u>December 31</u> | |
|---|--------------------|-------------|
| | <u>2025</u> | <u>2024</u> |
| <u>Financial assets</u> | | |
| Financial assets at FVTPL | \$ - | \$ 50 |
| Financial assets at amortized cost (1) | 26,575,638 | 29,151,626 |
| Financial assets at FVTOCI | 27,919 | 30,005 |
| <u>Financial liabilities</u> | | |
| Financial liabilities at FVTPL | \$ 144,265 | 49,445 |
| Financial liabilities at amortized cost (2) | 26,282,377 | 35,639,442 |

- 1) The balances included financial assets at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, notes receivable, accounts receivable and other receivables.
- 2) The balances included financial liabilities at amortized cost, which comprise short-term bank loans, notes payable, accounts payable, other payables, bonds payable and long-term bank loans (including the current portion).

d. Financial risk management objectives and policies

The Group's major financial instruments included cash and cash equivalents, financial assets at amortized cost, equity investments, accounts receivable, payables, bonds payable, bank loans and lease liabilities. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

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

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including foreign exchange forward contracts to hedge the exchange rate risk arising from the export.

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

a) Foreign currency risk

The Group has foreign currency denominated sales and purchases, which exposes the Group to foreign currency risk. Exchange rate exposures are managed within approved policy parameters utilizing foreign exchange forward contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and those derivatives exposed to foreign currency risk at the end of the year are set out in Note 34.

Sensitivity analysis

The Group is mainly exposed to the USD, EUR, JPY and RMB.

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

| Currency | For the Year Ended December 31 | |
|----------|--------------------------------|-----------|
| | 2025 | 2024 |
| USD | \$ 26,936 | \$ 34,788 |
| EUR | 30,344 | 6,399 |
| JPY | 1,919 | 1,839 |
| RMB | (36) | 7,712 |

The sensitivity analysis was mainly attributable to the net exposures of outstanding receivables and payables denominated in USD, EUR, JPY and RMB that were not hedged at the end of the year.

The Company's sensitivity to foreign currency exchange increased during the current year mainly due to the increase in EUR denominated receivables that resulted in higher.

b) Interest rate risk

The Group's interest rate risk mainly arises from fixed and floating interest rate bank deposits, cash equivalents, bonds payable, bank loans, and lease liabilities, which give rise to interest rate risk exposures.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rate risk at the end of the year were as follows:

| | <u>December 31</u> | |
|-------------------------------|--------------------|--------------|
| | 2025 | 2024 |
| Fair value interest rate risk | | |
| Financial assets | \$ 5,843,382 | \$ 8,803,907 |
| Financial liabilities | 6,935,359 | 17,928,652 |
| | | |
| | <u>December 31</u> | |
| | 2025 | 2024 |
| Cash flow interest rate risk | | |
| Financial assets | \$ 10,945,956 | \$ 9,376,185 |
| Financial liabilities | 6,665,647 | 4,682,899 |

Sensitivity analysis

The sensitivity analysis is determined based on the Group's exposure to interest rate risk for non-derivative instruments at the end of the year. A 1 quarter point increase or decrease is used when reporting interest rate risk internally to key management and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1 quarter point higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2025 and 2024 would increase/decrease by \$10,701 thousand and \$11,733 thousand, respectively.

The Group's sensitivity to interest rates decreased during the current year mainly due to the increase in floating rate bank loans.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Group. As of the balance sheet date, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligations, could be equal to the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets.

The Group's concentration of credit risk of 36% and 41% of total accounts receivable as of December 31, 2025 and 2024, respectively, was attributable to the Group's two largest customers.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants. The Group relies on bank borrowings as a significant source of liquidity. As of December 31, 2025 and 2024, the Group had available unutilized bank loan facilities of \$57,729,745 thousand and \$46,329,339 thousand, respectively.

The following liquidity and interest rate risk table shows the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed-upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest dates on which the Group can be required to pay. The table includes both interest and principal cash flows.

| | Less Than 1 Year | 1-2 Years | Over 2 Years |
|--------------------------------------|-----------------------------|---------------------|---------------------|
| <u>December 31, 2025</u> | | | |
| Non-derivative financial liabilities | | | |
| Non-interest bearing liabilities | \$ 14,311,700 | \$ - | \$ - |
| Lease liabilities | 600,942 | 299,826 | 843,786 |
| Variable interest rate instruments | 2,919,865 | 1,556,645 | 2,189,137 |
| Fixed interest rate instruments | <u>5,305,030</u> | <u>-</u> | <u>-</u> |
| | <u>\$ 23,137,537</u> | <u>\$ 1,856,471</u> | <u>\$ 3,032,923</u> |
| <u>December 31, 2024</u> | | | |
| Non-derivative financial liabilities | | | |
| Non-interest bearing liabilities | \$ 14,836,944 | \$ - | \$ - |
| Lease liabilities | 639,570 | 393,822 | 1,042,454 |
| Variable interest rate instruments | 1,660,029 | 2,535,976 | 486,894 |
| Fixed interest rate instruments | <u>16,119,599</u> | <u>-</u> | <u>-</u> |
| | <u>\$ 33,256,142</u> | <u>\$ 2,929,798</u> | <u>\$ 1,529,348</u> |

31. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Except as disclosed in the other notes, details of transactions between the Group and other related parties were as follows:

a. Related party name and category

| <u>Related Party Name</u> | <u>Relationship with the Group</u> |
|--|------------------------------------|
| Microprogram | Associate |
| Microprogram Information (Kunshan) Co., Ltd. | Associate |
| Willbe Co., Ltd. (“Willbe”) (Note) | Associate |
| Cycling Life-style Foundation | Other related parties |
| Appa (Kunshan) Co., Ltd. | Other related parties |

b. Sales revenue

| Related Party Category | For the Year Ended December 31 | |
|-------------------------------|---------------------------------------|------------------|
| | 2025 | 2024 |
| Associates | \$ 51,169 | \$ 38,838 |
| Others | <u>5,987</u> | <u>8,768</u> |
| | <u>\$ 57,156</u> | <u>\$ 47,606</u> |

The products sold to related parties are own-brand products, etc. The Group determines the price by type of products sold. The pricing strategy also differs from that for original equipment manufacturing products.

c. Purchases of goods

| Related Party Category | For the Year Ended December 31 | |
|-------------------------------|---------------------------------------|-------------------|
| | 2025 | 2024 |
| Associates | \$ 48,661 | \$ 286,707 |
| Other related parties | <u>811</u> | <u>733</u> |
| | <u>\$ 49,472</u> | <u>\$ 287,440</u> |

The prices of the purchases from related parties are based on the specific diversity of products and related market trends.

d. Operating costs

| Related Party Category | For the Year Ended December 31 | |
|-------------------------------|---------------------------------------|-------------------|
| | 2025 | 2024 |
| Associates | <u>\$ 202,875</u> | <u>\$ 174,105</u> |

Costs for system equipment services provided.

e. Operating expense

| Related Party Category | For the Year Ended December 31 | |
|-------------------------------|---------------------------------------|-----------------|
| | 2025 | 2024 |
| Other related parties | \$ 2,439 | \$ 2,952 |
| Associates | <u>169</u> | <u>21</u> |
| | <u>\$ 2,608</u> | <u>\$ 2,973</u> |

f. Other income

| Related Party Category | For the Year Ended December 31 | |
|-------------------------------|---------------------------------------|------------------|
| | 2025 | 2024 |
| Associates | <u>\$ 1,511</u> | <u>\$ 10,956</u> |

g. Receivables from related parties

| Financial Statement Account | Related Party Category | December 31 | |
|------------------------------------|-------------------------------|--------------------|------------------|
| | | 2025 | 2024 |
| Accounts receivable | Other related parties | \$ 6 | \$ 7 |
| | Associates | <u>-</u> | <u>11,423</u> |
| | | <u>\$ 6</u> | <u>\$ 11,430</u> |
| Other receivables | Associates | <u>\$ 6,842</u> | <u>\$ 5,299</u> |

h. Payables to related parties

| Financial Statement Account | Related Party Category | December 31 | |
|-----------------------------|------------------------|-------------------|------------------|
| | | 2025 | 2024 |
| Accounts payable | Associates | \$ 22,884 | \$ 57,380 |
| Other payables | Associates | \$ 104,576 | \$ 75,591 |
| | Other related parties | 112 | 71 |
| | | <u>\$ 104,688</u> | <u>\$ 75,662</u> |

i. Acquisitions of property, plant and equipment

| Related Party Category | Purchase Price | |
|------------------------|--------------------------------------|--------------------------------------|
| | For the Year Ended December 31, 2025 | For the Year Ended December 31, 2024 |
| Associates | \$ - | \$ 1,280 |

j. Remuneration of key management

| | For the Year Ended December 31 | |
|------------------------------|--------------------------------|-------------------|
| | 2025 | 2024 |
| Short-term employee benefits | \$ 174,310 | \$ 194,939 |
| Post-employment benefits | 16,673 | 17,302 |
| | <u>\$ 190,983</u> | <u>\$ 212,241</u> |

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

32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for the Group's cross-currency swap contracts, bank loans and performance guarantees, etc.:

| | December 31 | |
|------------------------------------|-------------------|-------------------|
| | 2025 | 2024 |
| Accounts receivable | \$ 662,246 | \$ 274,377 |
| Financial assets at amortized cost | 28,416 | 6,572 |
| | <u>\$ 690,662</u> | <u>\$ 280,949</u> |

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

a. Unrecognized commitments were as follows:

| | <u>December 31</u> | |
|---|--------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| Acquisitions of property, plant and equipment | <u>\$ 581,991</u> | <u>\$ 457,540</u> |

b. The contract period of the existing product liability insurance policy (the “policy”) of the Company is from August 1, 2025 to August 1, 2026. The policy covers bicycles, electric bicycles, and their components manufactured and sold globally by the Company. The maximum indemnity for claims arising from one originating cause is US\$10,000 thousand.

c. YouBike signed several contracts with the transportation bureaus of various city and county governments to provide public bicycle sharing system establishment and operation management services. The contract duration is from November 2017 to March 2032, and a total performance guarantee of \$551,345 thousand was provided.

34. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

| | <u>December 31, 2025</u> | | | <u>December 31, 2024</u> | | |
|------------------------------|-----------------------------|--------------------------|------------------------------|-----------------------------|--------------------------|------------------------------|
| | <u>Foreign Currency</u> | <u>Exchange Rate</u> | <u>New Taiwan Dollar</u> | <u>Foreign Currency</u> | <u>Exchange Rate</u> | <u>New Taiwan Dollar</u> |
| <u>Financial assets</u> | | | | | | |
| Monetary items | | | | | | |
| USD | \$ 123,193 | 31.438 | \$ 3,872,942 | \$ 175,367 | 32.780 | \$ 5,748,530 |
| EUR | 99,214 | 36.837 | 3,654,746 | 39,602 | 34.126 | 1,351,458 |
| JPY | 2,545,313 | 0.2005 | 510,335 | 1,743,599 | 0.2098 | 365,807 |
| RMB | 31,884 | 4.492 | 143,223 | 200,775 | 4.4790 | 899,271 |
| <u>Financial liabilities</u> | | | | | | |
| Monetary items | | | | | | |
| USD | 37,513 | 31.438 | 1,179,334 | 69,241 | 32.780 | 2,269,720 |
| EUR | 16,841 | 36.837 | 620,372 | 20,852 | 34.126 | 711,595 |
| JPY | 1,588,197 | 0.2005 | 318,433 | 866,847 | 0.2098 | 181,865 |
| RMB | 32,680 | 4.492 | 146,799 | 28,598 | 4.4790 | 128,090 |

For the years ended December 31, 2025 and 2024, realized and unrealized foreign exchange gains were \$240,585 thousand and \$398,223 thousand, respectively. It is impractical to disclose foreign exchange gains (losses) on each significant foreign currency due to the large volume of foreign currency transactions and the diversity of functional currencies among the Group entities.

35. SEPARATELY DISCLOSED ITEMS

- a. Information about significant transactions:
 - 1) Financing provided to others. (Table 1)
 - 2) Endorsements/guarantees provided. (Table 2)
 - 3) Significant marketable securities held (excluding investments in subsidiaries and associates).(Table 3)
 - 4) Total purchases from or sales to related parties amounting to at least \$100 million or 20% of the paid-in capital. (Table 4)
 - 5) Receivables from related parties amounting to at least \$100 million or 20% of the paid-in capital. (Table 5)
 - 6) Intercompany relationships and significant intercompany transactions. (Table 6)
- b. Information on investees. (Table 7)
- c. Information on investments in mainland China
 - 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, the year-end balance of carrying amount of the investment, repatriations of investment income, and limits on the amount of investment in the mainland China area. (Table 8)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year. (Table 4)
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year. (Table 4)
 - c) The amount of property transactions and the amount of the resultant gains or losses. (None)
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes. (None)
 - e) The highest balance, the ending balance, the interest rate range, and total interest for the current period with respect to financing of funds. (Table 1)
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services. (None)

36. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group's reportable segments, bicycle, materials and others, for the year ended December 31, 2025 and 2024 are as follows:

a. Segment revenues and results

| | Segment Revenue | | Segment Profit | |
|---|--|----------------------|--|---------------------|
| | For the Year Ended December 31 2025 | 2024 | For the Year Ended December 31 2025 | 2024 |
| Bicycle | \$ 52,593,928 | \$ 63,208,689 | \$ 214,572 | \$ 1,059,578 |
| Materials | 4,186,617 | 4,392,764 | 325,803 | 523,673 |
| Others | <u>3,473,418</u> | <u>3,677,319</u> | <u>540,779</u> | <u>275,234</u> |
| | <u>\$ 60,253,963</u> | <u>\$ 71,278,772</u> | 1,081,154 | 1,858,485 |
| Finance costs | | | (659,092) | (1,087,640) |
| Share of profit of associates accounted for using the equity method | | | 7,730 | 29,604 |
| Interest income | | | 367,168 | 644,199 |
| Other income | | | 520,264 | 661,264 |
| Other gains and losses | | | <u>67,224</u> | <u>251,110</u> |
| Profit before income tax | | | <u>\$ 1,384,448</u> | <u>\$ 2,357,022</u> |

Segment profit represents the profit before income tax earned by each segment excluding finance costs, share of profit of associates accounted for using the equity method, interest income, other income, other gains and losses and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

b. Geographical information

The Group operates in three principal geographical areas - Asia, Europe and America, revenue from external customers and information about its non-current assets by location of operations are detailed below.

| | Revenue from External Customers | | Non-current Assets | |
|---------|--|----------------------|----------------------|----------------------|
| | For the Year Ended December 31 2025 | 2024 | December 31 2025 | 2024 |
| Asia | \$ 34,442,196 | \$ 45,050,568 | \$ 17,703,314 | \$ 18,050,208 |
| Europe | 20,163,013 | 19,967,763 | 2,888,258 | 2,900,169 |
| America | 4,302,369 | 4,636,829 | 554,243 | 794,714 |
| Others | <u>1,346,385</u> | <u>1,623,612</u> | <u>27,726</u> | <u>13,747</u> |
| | <u>\$ 60,253,963</u> | <u>\$ 71,278,772</u> | <u>\$ 21,173,541</u> | <u>\$ 21,758,838</u> |

Non-current assets exclude deferred tax assets.

c. Information about major customers

Customers contributed 10% or more of the Group's total revenue for the years ended December 31, 2025 and 2024 are as follows:

| | For the Year Ended December 31 | | | |
|------------|---------------------------------------|----------|---------------|----------|
| | 2025 | | 2024 | |
| | Amount | % | Amount | % |
| Customer S | \$ 9,344,793 | 16 | \$ 8,998,855 | 13 |
| Customer T | 7,100,039 | 12 | 5,885,991 | 8 |

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars and Foreign Currencies)

| No. | Lender | Borrower | Financial Statement Account | Related Party | Highest Balance for the Period | Ending Balance (Note 1) | Actual Borrowing Amount | Interest Rate | Nature of Financing (Note 2) | Business Transaction Amount | Reasons for Short-term Financing | Loss Allowance | Collateral | | Financing Limit for Each Borrower (Notes 3 and 4) | Aggregate Financing Limits (Notes 4 and 5) |
|-----|------------------|----------------------|------------------------------------|---------------|--------------------------------|------------------------------|------------------------------|-----------------|------------------------------|-----------------------------|----------------------------------|----------------|------------|-------|---|--|
| | | | | | | | | | | | | | Item | Value | | |
| 0 | Giant | Giant Europe | Loans receivable - related parties | Yes | \$ 1,473,480 (EUR 40,000) | \$ 1,473,480 (EUR 40,000) | \$ 1,473,480 (EUR 40,000) | 3.21% | 2 | \$ - | Working Capital | \$ - | - | \$ - | \$ 3,406,199 | \$ 13,624,794 |
| | | AIPS | Loans receivable - related parties | Yes | 200,000 | 200,000 | 200,000 | 1.65%- 1.83% | 2 | - | Working Capital | - | - | - | 3,406,199 | 13,624,794 |
| 1 | D. Mag | Light Metal Haian | Loans receivable - related parties | Yes | 673,800 (RMB 150,000) | 673,800 (RMB 150,000) | 398,440 (RMB 88,700) | 2.35% | 2 | - | Working Capital | - | - | - | 1,100,330 | 1,100,330 |
| 2 | Gaiwin | Giant Vietnam Mfg. | Loans receivable - related parties | Yes | 440,132 (USD 14,000) | 251,504 (USD 8,000) | 188,628 (USD 6,000) | 5.23%- 5.90% | 2 | - | Working Capital | - | - | - | 2,578,590 | 2,578,590 |
| | | Giant Mexico | Loans receivable - related parties | Yes | 628,760 (USD 20,000) | 314,380 (USD 10,000) | - | 5.32%- 5.55% | 2 | - | Working Capital | - | - | - | 2,578,590 | 2,578,590 |
| | | SPIA | Loans receivable - related parties | Yes | 785,950 (USD 25,000) | 785,950 (USD 25,000) | 157,190 (USD 5,000) | 5.16%- 6.28% | 2 | - | Working Capital | - | - | - | 2,578,590 | 2,578,590 |
| | | Giant USA | Loans receivable - related parties | Yes | 880,264 (USD 28,000) | 880,264 (USD 28,000) | 487,289 (USD 15,500) | 5.15% | 2 | - | Working Capital | - | - | - | 2,578,590 | 2,578,590 |
| 3 | Quanzhou YouBike | Putian YouBike | Loans receivable - related parties | Yes | 62,888 (RMB 14,000) | 62,888 (RMB 14,000) | 49,412 (RMB 11,000) | 2.79% | 2 | - | Working Capital | - | - | - | 1,100,330 | 1,100,330 |
| 4 | Giant Europe | SPIA | Loans receivable - related parties | Yes | 157,190 (USD 5,000) | - | - | 6.31% | 2 | - | Working Capital | - | - | - | 1,100,330 | 1,100,330 |
| 5 | Golden Rich | Light Metal Malaysia | Loans receivable - related parties | Yes | 9,703 (RMB 2,160) | - | - | 2.85% | 2 | - | Working Capital | - | - | - | 1,100,330 | 1,100,330 |
| 6 | Giant Holding | Giant Tianjin | Loans receivable - related parties | Yes | 494,120 (RMB 110,000) | 494,120 (RMB 110,000) | 359,360 (RMB 80,000) | 2.20%- 2.40% | 2 | - | Working Capital | - | - | - | 1,100,330 | 1,100,330 |
| 7 | Giant Chengdu | Giant Tianjin | Loans receivable - related parties | Yes | 539,040 (RMB 120,000) | 314,440 (RMB 70,000) | 224,600 (RMB 50,000) | 2.20%- 2.40% | 2 | - | Working Capital | - | - | - | 1,100,330 | 1,100,330 |
| 8 | Giant Kunshan | Putian YouBike | Loans receivable - related parties | Yes | 80,856 (RMB 18,000) | 80,856 (RMB 18,000) | - | - | 2 | - | Working Capital | - | - | - | 1,100,330 | 1,100,330 |

Note 1: The ending balance amounts have been approved by the Board of Directors.

Note 2: The nature of financing provided is classified as follows:

- 1) Business relationship,
- 2) Short-term financial assistance.

Note 3: The financing limit for each borrower is up to 10% of the net asset value of Giant.

Note 4: 1) Giant China, Giant Electric Vehicle and Giant Holding: Up to RMB 0.46 billion, RMB 0.3 billion and RMB 0.25 billion, respectively, for the financing limit for each borrower and the aggregate financing limit.

2) YouBike: Up to 10% and 40% of its net asset value in the most recent financial statements as the financing limit for each borrower and the aggregate financing limit, respectively.

3) Gaiwin: Up to EUR 70 million for the financing limit for each borrower and the aggregate financing limit.

4) The other subsidiaries: Up to USD 35 million for the financing limit for each borrower and the aggregate financing limit.

Note 5: The aggregate financing limit is up to 40% of the net asset value at the end of the year of Giant.

Note 6: Significant intercompany accounts and transactions have been eliminated.

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars and Foreign Currencies)

| No. | Endorser/Guarantor | Endorsee/Guarantee | | Limits on Endorsement/ Guarantee Given to Each Party (Note 2) | Maximum Amount Endorsed/ Guaranteed During the Period (Note 3) | Outstanding Endorsement/ Guarantee at the End of the Period (Note 4) | Actual Borrowing Amount | Amount Endorsed/ Guaranteed by Collateral | Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements | Aggregate Endorsement/ Guarantee Limit (Note 3) | Endorsement/ Guarantee Given by Parent to Subsidiaries | Endorsement/ Guarantee Given by Subsidiaries to Parent | Endorsement/ Guarantee Given to Companies in Mainland China |
|-----|--------------------|--------------------|--------------|---|---|--|------------------------------|--|--|--|---|---|--|
| | | Name | Relationship | | | | | | | | | | |
| 0 | Giant | Giant Hungary Mfg. | (Note 1) | \$ 8,515,497 | \$ 2,247,057 (EUR 61,000) | \$ 2,247,057 (EUR 61,000) | \$ 2,072,017 (EUR 56,248) | \$ - | 6.60% | \$ 17,030,993 | Y | N | N |
| | | Giant Vietnam Mfg. | (Note 1) | 8,515,497 | 943,140 (USD 30,000) | 314,380 (USD 10,000) | 90,000 (USD 2,863) | - | 0.92% | 17,030,993 | Y | N | N |
| | | Giant Mexico | (Note 1) | 8,515,497 | 523,050 (MXN 300,000) | 523,050 (MXN 300,000) | 462,028 (MXN 265,000) | - | 1.54% | 17,030,993 | Y | N | N |
| 1 | Giant China | Giant Holding | (Note 1) | 1,100,330 | 4,744 (RMB 1,056) | 4,744 (RMB 1,056) | 4,744 (RMB 1,056) | - | 0.13% | 1,100,330 | N | N | Y |

Note 1: Refer to Note 12.

Note 2: Up to 25% of the net asset value of Giant and up to USD35 million of other subsidiaries.

Note 3: Up to 50% (not inclusive) of the net asset value of Giant and up to USD35 million of other subsidiaries.

Note 4: The ending balance amounts have been approved by the Board of Directors.

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

| Holding Company Name | Type and Name of Marketable Securities | Relationship with the Securities Issuer | Financial Statement Account | December 31, 2025 | | | |
|----------------------|---|---|--|-------------------|----------------|-----------------------------|------------|
| | | | | Shares | Carrying Value | Percentage of Ownership (%) | Fair Value |
| Giant | <u>Stock</u> | | | | | | |
| | KMC (Kuei Meng) International Inc. | - | Financial assets at FVTOCI - non-current | 10,484 | \$ 951 | - | \$ 951 |
| | Research Innovation Capital Corporation | - | Financial assets at FVTOCI - non-current | 6,000,000 | 26,968 | - | 26,968 |

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars and Foreign Currencies)

| Purchaser or Seller | Related Party | Relationship | Transaction Details | | | | Abnormal Transaction | | Notes and Accounts Receivable (Payable) | | Note |
|------------------------|------------------------|--------------|---------------------|--------------|------------|------------------|----------------------|------------------|---|------------|------|
| | | | Purchase or Sale | Amount | % to Total | Collection Terms | Unit Price | Collection Terms | Ending Balance (Note 3) | % to Total | |
| Giant | Giant Sales | (Note 1) | Sales | \$ (400,734) | (3) | T/T 15 days | (Note 2) | - | \$ 29,230 | 1 | |
| | YouBike | (Note 1) | Sales | (244,270) | (2) | T/T 30 days | (Note 2) | - | 42,365 | 2 | |
| | Giant China | (Note 1) | Sales | (420,492) | (3) | T/T 90 days | (Note 2) | - | 69,685 | 3 | |
| | Giant Kunshan | (Note 1) | Sales | (472,847) | (3) | T/T 90 days | (Note 2) | - | 57,452 | 2 | |
| | Giant Tianjin | (Note 1) | Sales | (147,375) | (1) | T/T 90 days | (Note 2) | - | 3,954 | - | |
| | Giant Electric Vehicle | (Note 1) | Sales | (159,261) | (1) | T/T 90 days | (Note 2) | - | 42,349 | 2 | |
| | Giant Japan | (Note 1) | Sales | (114,467) | (1) | T/T 15 days | (Note 2) | - | 7,400 | - | |
| | Giant Europe Mfg. | (Note 1) | Sales | (1,161,416) | (9) | T/T 90 days | (Note 2) | - | - | - | |
| | Giant Hungary Mfg. | (Note 1) | Sales | (949,285) | (7) | T/T 120 days | (Note 2) | - | 236,477 | 10 | |
| | Giant Europe | (Note 1) | Sales | (2,498,261) | (18) | T/T 60 days | (Note 2) | - | 781,920 | 33 | |
| | Giant Benelux | (Note 1) | Sales | (266,209) | (2) | T/T 60 days | (Note 2) | - | - | - | |
| | Giant UK | (Note 1) | Sales | (917,068) | (7) | T/T 60 days | (Note 2) | - | 183,297 | 8 | |
| | Giant USA | (Note 1) | Sales | (313,990) | (2) | T/T 90 days | (Note 2) | - | 377 | - | |
| | Giant Australia | (Note 1) | Sales | (517,167) | (4) | T/T 30 days | (Note 2) | - | 43,376 | 2 | |
| | Giant Germany | (Note 1) | Sales | (131,534) | (1) | T/T 60 days | (Note 2) | - | 3,016 | - | |
| | Giant Canada | (Note 1) | Sales | (359,338) | (3) | T/T 90 days | (Note 2) | - | 112,627 | 5 | |
| | AIPS | SPIA | (Note 1) | Sales | (343,976) | (54) | T/T 30 days | (Note 2) | - | 30,306 | 59 |
| Giant Vietnam | Giant USA | (Note 1) | Sales | (604,653) | (74) | T/T 90 days | (Note 2) | - | 132,280 | 53 | |
| | Giant Canada | (Note 1) | Sales | (115,650) | (14) | T/T 90 days | (Note 2) | - | 36,174 | 15 | |
| Giant Tianjin | Giant Kunshan | (Note 1) | Sales | (192,285) | (3) | T/T 90 days | (Note 2) | - | 36,118 | 22 | |
| | Giant Chengdu | (Note 1) | Sales | (448,819) | (8) | T/T 90 days | (Note 2) | - | 44,804 | 28 | |
| Giant Electric Vehicle | Giant | (Note 1) | Sales | (885,284) | (23) | T/T 60 days | (Note 2) | - | 302,797 | 20 | |
| | Giant Australia | (Note 1) | Sales | (149,125) | (4) | T/T 60 days | (Note 2) | - | 39,490 | 4 | |
| | Giant Hungary Mfg. | (Note 1) | Sales | (233,985) | (6) | T/T 60 days | (Note 2) | - | 122,093 | 12 | |
| | Giant Europe | (Note 1) | Sales | (393,578) | (10) | T/T 60 days | (Note 2) | - | 141,315 | 14 | |
| | Giant Benelux | (Note 1) | Sales | (244,114) | (6) | T/T 60 days | (Note 2) | - | 118,794 | 12 | |
| | Giant Canada | (Note 1) | Sales | (145,310) | (4) | T/T 60 days | (Note 2) | - | 15,497 | 2 | |
| | Giant | (Note 1) | Sales | (265,545) | (3) | T/T 90 days | (Note 2) | - | 85,703 | 14 | |
| Giant Kunshan | Giant Sales | (Note 1) | Sales | (209,223) | (2) | T/T 60 days | (Note 2) | - | 32,750 | 5 | |
| | Giant China | (Note 1) | Sales | (144,665) | (2) | T/T 120 days | (Note 2) | - | 22,658 | 4 | |
| | Giant Tianjin | (Note 1) | Sales | (929,345) | (11) | T/T 60 days | (Note 2) | - | 55,456 | 9 | |
| | Giant Chengdu | (Note 1) | Sales | (137,827) | (2) | T/T 60 days | (Note 2) | - | 17,593 | 3 | |
| | Giant Japan | (Note 1) | Sales | (303,101) | (4) | T/T 60 days | (Note 2) | - | 50,134 | 8 | |
| | Giant Canada | (Note 1) | Sales | (119,836) | (1) | T/T 30 days | (Note 2) | - | 21,357 | 3 | |
| | Giant Hungary Mfg. | (Note 1) | Sales | (119,736) | (1) | T/T 90 days | (Note 2) | - | 27,113 | 4 | |
| | Giant Europe Mfg. | (Note 1) | Sales | (235,646) | (3) | T/T 90 days | (Note 2) | - | 85,747 | 14 | |
| | Giant Australia | (Note 1) | Sales | (230,403) | (3) | T/T 90 days | (Note 2) | - | 12,075 | 2 | |
| | Giant Korea | (Note 1) | Sales | (140,523) | (2) | T/T 60 days | (Note 2) | - | 4,495 | 1 | |
| | Giant Vietnam Mfg. | (Note 1) | Sales | (314,918) | (4) | T/T 90 days | (Note 2) | - | 121,848 | 20 | |

(Continued)

| Purchaser or Seller | Related Party | Relationship | Transaction Details | | | | Abnormal Transaction | | Notes and Accounts Receivable (Payable) | | Note |
|---|-------------------|--------------|---------------------|--------------|-------------|------------------|----------------------|------------------|---|------------|------|
| | | | Purchase or Sale | Amount | % to Total | Collection Terms | Unit Price | Collection Terms | Ending Balance (Note 3) | % to Total | |
| Giant China | Giant Kunshan | (Note 1) | Sales | \$ (336,191) | (4) | T/T 60 days | (Note 2) | - | \$ 9,801 | 1 | |
| | Giant Tianjin | (Note 1) | Sales | (683,612) | (8) | T/T 60 days | (Note 2) | - | 1,339 | - | |
| | Giant Chengdu | (Note 1) | Sales | (123,073) | (1) | T/T 60 days | (Note 2) | - | - | - | |
| Giant Europe Mfg. Giant Europe | Giant UK | (Note 1) | Sales | (247,540) | (3) | T/T 90 days | (Note 2) | - | 47,954 | 3 | |
| | Giant Europe | (Note 1) | Sales | (1,882,598) | (33) | T/T 30 days | (Note 2) | - | 114,881 | 13 | |
| | Giant Europe Mfg. | (Note 1) | Sales | (141,859) | (2) | T/T 30 days | (Note 2) | - | 148,481 | 11 | |
| | Giant Benelux | (Note 1) | Sales | (1,731,787) | (23) | T/T 30 days | (Note 2) | - | 105,362 | 8 | |
| | Giant France | (Note 1) | Sales | (2,253,007) | (30) | T/T 30 days | (Note 2) | - | 807,806 | 61 | |
| | Giant Germany | (Note 1) | Sales | (1,699,719) | (22) | T/T 30 days | (Note 2) | - | 129,199 | 10 | |
| | Giant UK | (Note 1) | Sales | (234,509) | (3) | T/T 30 days | (Note 2) | - | 2,851 | - | |
| | Giant Italy | (Note 1) | Sales | (698,344) | (9) | T/T 30 days | (Note 2) | - | 239,226 | 18 | |
| | Giant Benelux | (Note 1) | Sales | (1,026,627) | (26) | T/T 30 days | (Note 2) | - | (356) | - | |
| | Giant France | (Note 1) | Sales | (172,630) | (5) | T/T 30 days | (Note 2) | - | (5,845) | (1) | |
| Giant Germany | (Note 1) | Sales | (356,814) | (13) | T/T 30 days | (Note 2) | - | - | - | | |
| D. Mag | Giant | (Note 1) | Sales | (251,426) | (4) | T/T 60 days | (Note 2) | - | 57,336 | 3 | |
| Light Metal Haian Giant Hungary Mfg. | Giant China | (Note 1) | Sales | (174,575) | (3) | T/T 30 days | (Note 2) | - | 33,241 | 2 | |
| | Giant Kunshan | (Note 1) | Sales | (665,606) | (11) | T/T 30 days | (Note 2) | - | 148,649 | 9 | |
| | Giant Tianjin | (Note 1) | Sales | (326,672) | (5) | T/T 30 days | (Note 2) | - | 46,876 | 3 | |
| | Light Metal Haian | (Note 1) | Sales | (634,549) | (10) | T/T 120 days | (Note 2) | - | 231,109 | 14 | |
| | Golden Rich | (Note 1) | Sales | (313,166) | (5) | T/T 120 days | (Note 2) | - | 64,875 | 4 | |
| | D. Mag | (Note 1) | Sales | (733,563) | (83) | T/T 30 days | (Note 2) | - | 96,569 | 59 | |
| | Giant Europe Mfg. | (Note 1) | Sales | (104,731) | (2) | T/T 30 days | (Note 2) | - | - | - | |
| | Giant Europe | (Note 1) | Sales | (668,113) | (16) | T/T 30 days | (Note 2) | - | 63,122 | 8 | |
| | Giant Benelux | (Note 1) | Sales | (207,422) | (5) | T/T 30 days | (Note 2) | - | - | - | |
| | Giant Polska | (Note 1) | Sales | (109,475) | (3) | T/T 30 days | (Note 2) | - | - | - | |

(Concluded)

Note 1: Refer to Note 12.

Note 2: Prices were determined based on product differences and market acceptance.

Note 3: Significant intercompany accounts and transactions have been eliminated.

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NTD100 MILLION OR 20% OF THE PAID-IN CAPITAL

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

| Company Name | Related Party | Relationship | Financial Statement Account & Ending Balance | Turnover | Overdue | | Amount Received in Subsequent Period | Loss Allowance |
|------------------------|--------------------|---|---|----------|---------|--------------|--------------------------------------|----------------|
| | | | | | Amount | Action Taken | | |
| Giant | AIPS | (Note 1) | Loans receivable - related parties \$ 200,000 | - | \$ - | - | \$ - | \$ - |
| | | | Other receivables - related parties 20 | - | - | - | - | - |
| | Giant Hungary Mfg. | (Note 1) | Accounts receivable - related parties 236,477 | 6 | - | - | 133,944 | - |
| | | | Other receivables - related parties 851 | - | - | - | 9 | - |
| | Giant Europe | (Note 1) | Accounts receivable - related parties 781,920 | 9 | - | - | 781,920 | - |
| | | | Loans receivable - related parties 1,473,480 | - | - | - | 1,473,480 | - |
| | | | Other receivables - related parties 22,887 | - | - | - | 22,887 | - |
| | Giant UK | (Note 1) | Accounts receivable - related parties 183,297 | 6 | - | - | 183,297 | - |
| | | | Other receivables - related parties 86 | - | - | - | 86 | - |
| | Giant Canada | (Note 1) | Accounts receivable - related parties 112,627 | 4 | - | - | 73,366 | - |
| | | Other receivables - related parties 269 | - | - | - | 204 | - | |
| Giant Holding | Giant Tianjin | (Note 1) | Loans receivable - related parties 359,360 | - | - | - | - | - |
| | | | Other receivables - related parties 1,009 | - | - | - | - | - |
| Giant Electric Vehicle | Giant | (Note 1) | Accounts receivable - related parties 302,797 | 4 | - | - | 166,289 | - |
| | | | Other receivables - related parties 1,125 | - | - | - | - | - |
| | Giant Hungary Mfg. | (Note 1) | Accounts receivable - related parties 122,093 | 3 | - | - | 90,939 | - |
| | | | Other receivables - related parties 1,485 | - | - | - | - | - |
| | Giant Europe | (Note 1) | Accounts receivable - related parties 141,315 | 4 | - | - | 141,315 | - |
| | | Other receivables - related parties 3 | - | - | - | - | - | |
| Giant Benelux | (Note 1) | Accounts receivable - related parties 118,794 | 3 | - | - | 118,794 | - | |
| | | Other receivables - related parties 83 | - | - | - | - | - | |
| Giant Vietnam Mfg. | Giant USA | (Note 1) | Accounts receivable - related parties 132,280 | 8 | - | - | 71,573 | - |
| Gaiwin | Giant Europe | (Note 1) | Accounts receivable - related parties 720,902 | - | 588,655 | - | - | - |
| | Giant USA | (Note 1) | Accounts receivable - related parties 41,849 | - | - | - | 41,849 | - |
| | | | Loans receivable - related parties 487,289 | - | - | - | - | - |
| | Giant Vietnam Mfg. | (Note 1) | Loans receivable - related parties 188,628 | - | - | - | - | - |
| | SPIA | (Note 1) | Loans receivable - related parties 157,190 | - | - | - | - | - |
| Giant USA | Gaiwin | (Note 1) | Accounts receivable - related parties 127,848 | - | 127,848 | - | 127,848 | - |
| Giant Europe Mfg. | Giant Europe | (Note 1) | Accounts receivable - related parties 114,881 | 23 | - | - | 114,881 | - |
| | | | Other receivables - related parties 117,330 | - | - | - | 117,330 | - |
| | Giant Vietnam Mfg. | (Note 1) | Accounts receivable - related parties 121,848 | 3 | - | - | 75,924 | - |
| | | Other receivables - related parties 10,781 | - | - | - | 7,988 | - | |
| Giant Chengdu | Giant Tianjin | (Note 1) | Loans receivable - related parties 224,600 | - | - | - | 224,600 | - |

(Continued)

| Company Name | Related Party | Relationship | Financial Statement Account & Ending Balance | Turnover | Overdue | | Amount Received in Subsequent Period | Loss Allowance | |
|--------------|--------------------|--------------|--|------------|---------|--------------|--------------------------------------|----------------|-------|
| | | | | | Amount | Action Taken | | | |
| Giant Europe | Giant Benelux | (Note 1) | Accounts receivable - related parties | \$ 105,362 | 23 | \$ 71,883 | - | \$ 100,066 | \$ - |
| | | | Other receivables - related parties | 104,664 | - | 71,243 | - | 88,579 | - |
| | Giant Europe Mfg. | (Note 1) | Accounts receivable - related parties | 148,481 | 2 | 4,428 | - | 148,481 | - |
| | | | Other receivables - related parties | 56,818 | - | - | - | 42,902 | - |
| | Giant France | (Note 1) | Accounts receivable - related parties | 807,806 | 3 | 570,057 | - | 435,415 | - |
| | | | Other receivables - related parties | 90,465 | - | 63,340 | - | 48,762 | - |
| | Giant Germany | (Note 1) | Accounts receivable - related parties | 129,199 | 4 | 61,786 | - | 82,579 | - |
| | | | Other receivables - related parties | 30,300 | - | - | - | 7,877 | - |
| | Giant Italy | (Note 1) | Accounts receivable - related parties | 239,226 | 3 | 198,904 | - | 72,084 | - |
| | | | Other receivables - related parties | 30,673 | - | 20,361 | - | 9,243 | - |
| D. Mag | Light Metal Haiian | (Note 1) | Accounts receivable - related parties | 231,109 | 3 | - | - | 99,203 | - |
| | | | Loans receivable - related parties | 398,440 | - | - | - | - | - |
| | Giant Kunshan | (Note 1) | Notes receivable - related parties | 99,009 | - | - | - | 99,009 | - |
| | | | Accounts receivable - related parties | 49,640 | - | - | - | 47,699 | 1,535 |

(Concluded)

Note 1: Refer to Note 12.

Note 2: Significant intercompany accounts and transactions have been eliminated.

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

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

| No. | Company Name | Counterparty | Relationship (Note 1) | Transaction Details | | | % to Consolidated Sales or Total Assets | | |
|---------------|--------------------|--------------------|--------------------------|---------------------------------------|--------------------|-------------------|--|--------------|---|
| | | | | Financial Statement Account | Amount (Note 2) | Transaction Terms | | | |
| 0 | Giant | Giant Europe Mfg. | 1 | Sales | \$ (1,161,416) | T/T 90 days | 2 | | |
| | | Giant Hungary Mfg. | 1 | Sales | (949,285) | T/T 120 days | 2 | | |
| | | Giant Europe | 1 | Sales | (2,498,261) | T/T 60 days | 4 | | |
| | | | 1 | Accounts receivable | 781,920 | T/T 60 days | 1 | | |
| | | | 1 | Loans receivable - related parties | 1,473,480 | (Note 3) | 2 | | |
| | | | 1 | Sales | (917,068) | T/T 60 days | 2 | | |
| | | 1 | Giant Vietnam Mfg. | Giant USA | 3 | Sales | (604,653) | T/T 90 days | 1 |
| | | 2 | Giant Electric Vehicle | Giant | 2 | Sales | (885,284) | T/T 60 days | 1 |
| | | 3 | Giant Kunshan | Giant Tianjin | 3 | Sales | (929,345) | T/T 60 days | 2 |
| | | 4 | Giant China | Giant Tianjin | 3 | Sales | (683,612) | T/T 60 days | 1 |
| | | 5 | Giant Europe Mfg. | Giant Europe | 3 | Sales | (1,882,598) | T/T 30 days | 3 |
| | | 6 | Giant Europe | Giant Benelux | 3 | Sales | (1,731,787) | T/T 30 days | 3 |
| Giant France | 3 | | | Sales | (2,253,007) | T/T 30 days | 4 | | |
| | 3 | | | Accounts receivable - related parties | 807,806 | T/T 30 days | 1 | | |
| Giant Germany | 3 | | | Sales | (1,699,719) | T/T 30 days | 3 | | |
| Giant Italy | 3 | | | Sales | (698,344) | T/T 30 days | 1 | | |
| 8 | Giant Benelux | | | Giant Europe | 3 | Sales | (1,026,627) | T/T 30 days | 2 |
| 9 | D. Mag. | | | Giant Kunshan | 3 | Sales | (665,606) | T/T 30 days | 1 |
| | | | | Light Metal Haian | 3 | Sales | (634,549) | T/T 120 days | 1 |
| 10 | Light Metal Haian | | | D. Mag. | 3 | Sales | (733,563) | T/T 30 days | 1 |
| 11 | Giant Hungary Mfg. | | | Giant Europe | 3 | Sales | (668,113) | T/T 30 days | 1 |
| 12 | Gaiwin | Giant Europe | 3 | Accounts receivable - related parties | 720,902 | T/T 30 days | 1 | | |

Note 1: Relationship of counterparty:
(1) Parent company to subsidiary;
(2) Subsidiary to parent company;
(3) Subsidiary to subsidiary.

Note 2: Significant intercompany accounts and transactions have been eliminated.

Note 3: Based on the terms specified in the respective agreements.

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars and Foreign Currencies)

| Investor Company | Investee Company | Location | Main Businesses and Products | Investment Amount | | Balance as of December 31, 2025 | | | Net Income (Loss) of the Investee | Investment Gain (Loss) | Note | |
|------------------|----------------------|------------------------------|--|---|-------------------|---------------------------------|-------------------------|----------------|-----------------------------------|------------------------|---|-----------------------------|
| | | | | December 31, 2025 | December 31, 2024 | Shares | Percentage of Ownership | Carrying Value | | | | |
| Giant | Growood | Singapore | Overseas reinvested holding company | USD 18,063 | USD 18,063 | 26,619,300 | 100 | \$ 5,519,445 | \$ 830,095 | \$ 942,700 | Subsidiary | |
| | Gaiwin | Lelystad, Netherlands | Overseas reinvested holding company | USD 7,243 | USD 7,243 | 502,661 | 100 | 10,013,635 | (622,021) | (622,021) | Subsidiary | |
| | Darzins | British Virgin Islands | Overseas reinvested holding company | USD 14,889 | USD 14,889 | 14,888,928 | 100 | 4,313,017 | 223,935 | 221,530 | Subsidiary | |
| | Merdeka | British Virgin Islands | Overseas reinvested holding company | USD 6,000 | USD 6,000 | 6,000,003 | 100 | 358,282 | 28,020 | 28,144 | Subsidiary | |
| | Giant Sales | Taichung | Sales of bicycles and related products and bicycle rental services | \$ 140,000 | \$ 140,000 | 14,000,000 | 100 | 572,598 | 235,517 | 235,517 | Subsidiary | |
| | YouBike | Taichung | Public bicycle rental services | 800,000 | 800,000 | 84,800,000 | 100 | 1,362,827 | 433,283 | 433,283 | Subsidiary | |
| | AIPS | Taichung | Manufacturing and sales of sporting goods | 500,000 | 500,000 | 50,000,000 | 100 | (23,148) | (102,971) | (101,571) | Subsidiary | |
| | Giant Vietnam Mfg. | Binh Duong Province, Vietnam | Manufacturing and sales of bicycles | USD 23,000 | USD 23,000 | - | 100 | 393,743 | (40,549) | (115,951) | Subsidiary | |
| | Giant Mexico | Mexico City, Mexico | Sales of bicycles and related products | MXN 1 | MXN 1 | - | - | - | (27,926) | - | Subsidiary | |
| | Giant SEA Bicycle | Binh Duong Province, Vietnam | Manufacturing and sales of bicycles | USD 15,000 | USD 15,000 | - | 100 | 484,302 | 19,173 | 19,173 | Subsidiary | |
| | Giant Thailand | Thailand | Sales of bicycles and related products | THB 102,000 | THB 5,000 | 10,199,999 | 100 | 95,849 | (1,230) | (1,230) | Subsidiary | |
| | Microprogram | Taichung | Research of computer hardware and software and sales of related products | 244,352 | 244,352 | 8,886,000 | 16 | 207,597 | 29,031 | (Note 1) | Investments accounted for using the equity method | |
| | Growood | Giant Thailand | Thailand | Sales of bicycles and related products | THB - | THB - | 1 | - | - | USD (39) | (Note 1) | Subsidiary |
| | Giant Sales | Giant Adventure | Taichung | Undertaking domestic and international tourism trading businesses | 10,000 | 10,000 | 1,000,000 | 100 | 79,183 | 38,166 | (Note 1) | Indirectly owned subsidiary |
| Gaiwin | Giant Europe | Lelystad, Netherlands | Overseas reinvested holding company and sales of bicycles and related products | EUR 45,736 | EUR 45,736 | 1,200 | 100 | EUR 189,846 | EUR 1,386 | (Note 1) | Indirectly owned subsidiary | |
| | Giant USA | California, USA | Sales of bicycles and related products | USD 47,618 | USD 47,618 | 200,000 | 100 | EUR 20,033 | EUR (18,147) | (Note 1) | Indirectly owned subsidiary | |
| | Giant Japan | Kawasaki, Japan | Sales of bicycles and related products | JPY 200,000 | JPY 200,000 | 4,000 | 100 | EUR 9,383 | EUR 239 | (Note 1) | Indirectly owned subsidiary | |
| | Giant Australia | Victoria, Australia | Sales of bicycles and related products | AUD 500 | AUD 500 | 500,000 | 100 | EUR 23,188 | EUR 378 | (Note 1) | Indirectly owned subsidiary | |
| | Giant Canada | Vancouver, Canada | Sales of bicycles and related products | CAD 1,052 | CAD 1,052 | 1,051,987 | 100 | EUR 14,232 | EUR 145 | (Note 1) | Indirectly owned subsidiary | |
| | Giant Korea | Seoul, South Korea | Sales of bicycles and related products | KRW 734,000 | KRW 734,000 | 146,800 | 100 | EUR 3,592 | EUR 5 | (Note 1) | Indirectly owned subsidiary | |
| | Giant Mexico | Mexico City, Mexico | Sales of bicycles and related products | MXN 70,059 | MXN 70,059 | - | 100 | EUR 1,480 | EUR (794) | (Note 1) | Indirectly owned subsidiary | |
| | SPIA | Delaware, USA | Sales of sporting goods | USD 8,000 | USD 500 | 1,251 | 100 | EUR 3,549 | EUR (1,963) | (Note 1) | Indirectly owned subsidiary | |
| | Giant Germany | Erkrath, Germany | Sales of bicycles and related products | EUR 3,472 | EUR 3,472 | - | 100 | EUR 11,527 | EUR 1,150 | (Note 1) | Indirectly owned subsidiary | |
| | Giant France | Aix en Provence, France | Sales of bicycles and related products | EUR 4,200 | EUR 4,200 | 10,500 | 100 | EUR 8,885 | EUR (1,548) | (Note 1) | Indirectly owned subsidiary | |
| | Giant UK | Leicester, United Kingdom | Sales of bicycles and related products | GBP 200 | GBP 200 | 200,000 | 100 | EUR 17,639 | EUR 1,295 | (Note 1) | Indirectly owned subsidiary | |
| | Giant Europe Mfg. | Lelystad, Netherlands | Manufacturing and sales of bicycles | EUR 227 | EUR 227 | 5,000 | 100 | EUR 54,007 | EUR 1,971 | (Note 1) | Indirectly owned subsidiary | |
| | Giant Polska | Warsaw, Poland | Sales of bicycles and related products | PLN 150 | PLN 150 | 240 | 100 | EUR 9,669 | EUR 250 | (Note 1) | Indirectly owned subsidiary | |
| | Giant Benelux | Lelystad, Netherlands | Sales of bicycles and related products | EUR 3,230 | EUR 3,230 | 23,000 | 100 | EUR 20,386 | EUR 1,059 | (Note 1) | Indirectly owned subsidiary | |
| D. Mag | Giant Italy | Gallarate, Italy | Sales of bicycles and related products | EUR 200 | EUR 200 | - | 100 | EUR 1,532 | EUR 61 | (Note 1) | Indirectly owned subsidiary | |
| | Giant Hungary Mfg. | Gyongyos, Hungary | Manufacturing and sales of bicycles | EUR 45,000 | EUR 45,000 | - | 100 | EUR 35,521 | EUR (1,582) | (Note 1) | Indirectly owned subsidiary | |
| | Golden Rich | Hong Kong | International trading | USD 100 | USD 100 | 100,000 | 100 | RMB 12,969 | RMB 1,848 | (Note 1) | Indirectly owned subsidiary | |
| | Light Metal Malaysia | Malaysia | Sales of medium and high-end aluminum wheel hub products | USD 100 | USD 100 | - | - | (Note 12) | (Note 12) | (Note 1) | Indirectly owned subsidiary | |
| Innovation Tech | Innovation Tech | Singapore | Investments | USD 44,000 | USD 44,000 | 75,000,000 | 100 | RMB 299,020 | RMB 96 | (Note 1) | Indirectly owned subsidiary | |
| | D.Mag Precision | Binh Duong Province, Vietnam | Manufacturing and sales of wheel hub products | USD 7,000 | USD 7,000 | - | 100 | USD 6,387 | USD (217) | (Note 1) | Indirectly owned subsidiary | |
| | D.Mag Light Metal | Binh Duong Province, Vietnam | Manufacturing and sales of aluminum, steel, and other metal application products | USD 37,000 | USD 37,000 | - | 100 | USD 35,978 | USD 208 | (Note 1) | Indirectly owned subsidiary | |

Note 1: Exempt from disclosure according to regulations.

Note 2: Transactions have been eliminated.

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars and Foreign Currencies)

| Investee Company Name | Main Businesses and Products | Total Amount of Paid-in Capital | Investment Type (e.g., Direct or Indirect) | Accumulated Outflow of Investment from Taiwan as of January 1, 2025 | Investment Flows | | Accumulated Outflow of Investment from Taiwan as of December 31, 2025 | Net Income (Loss) of the Investee | Ownership of Direct or Indirect Investment | Investment Gain (Loss) (Note 5) | Carrying Value as of December 31, 2025 | Accumulated Repatriation of Investment Income as of December 31, 2025 |
|------------------------|--|---------------------------------|--|---|------------------|--------|---|-----------------------------------|--|---------------------------------|--|---|
| | | | | | Outflow | Inflow | | | | | | |
| Giant Holding | Overseas reinvested holding company | RMB 577,569 (USD 88,500) | (Note 2) | \$ 2,681,933 | \$ - | \$ - | \$ 2,681,933 | \$ 264,533 | 100% | \$ 302,393 | \$ 6,671,798 | \$ 1,829,019 |
| Giant Kunshan | Manufacturing and sales of bicycles and parts | RMB 236,288 (USD 35,000) | (Note 3) | (Note 3) | - | - | (Note 3) | 196,724 | 100% | 234,584 | 4,136,450 | - |
| Giant Cycling | Lease of bicycles and promotion of outdoor activities | RMB 6,595 (USD 1,000) | (Note 3) | (Note 3) | - | - | (Note 3) | 2 | 100% | 2 | 3,335 | - |
| Giant Jiangsu | Manufacturing and sales of bicycles and parts | RMB 331,779 (USD 52,500) | (Note 3) | (Note 3) | - | - | (Note 3) | 28,457 | 100% | 28,457 | 1,785,181 | - |
| Willbe Co., Ltd. | Sales and maintenance services of electrical and mechanical equipment and related devices | RMB 3,200 | (Note 3) | (Note 3) | - | - | (Note 3) | 2,003 | 33% | 2,864 | 15,372 | - |
| Quanzhou YouBike | Undertaking China public bicycle rental services | RMB 50,000 | (Note 5) | (Note 5) | - | - | (Note 5) | 18,145 | 100% | 18,145 | 141,431 | - |
| Putian YouBike | Undertaking China public bicycle rental services | RMB 50,000 | (Note 5) | (Note 5) | - | - | (Note 5) | (53,797) | 100% | (53,797) | (37,630) | - |
| Giant China | Manufacturing and sales of bicycles and parts | RMB 273,040 (USD 37,500) | (Note 1) | 489,599 | - | - | 489,599 | 700,357 | 100% | 778,665 | 3,560,320 | 11,795,162 |
| Giant Electric Vehicle | Manufacturing and sales of electric bicycles | RMB 40,465 (USD 5,000) | (Note 1) | (Note 1) | - | - | (Note 1) | 252,595 | 100% | 287,471 | 619,406 | 5,539,267 |
| Giant Tianjin | Manufacturing and sales of bicycles and parts | RMB 89,614 (USD 12,000) | (Note 1) | (Note 1) | - | - | (Note 1) | (61,198) | 100% | (61,777) | 1,270,496 | 2,070,097 |
| Giant Chengdu | Sales of bicycles and parts | RMB 49,663 (USD 6,000) | (Note 1) | 199,182 | - | - | 199,182 | 28,174 | 100% | 28,298 | 353,917 | 283,803 |
| Jiangsu Giant | Undertaking China tourism businesses | RMB 5,000 | (Note 4) | (Note 4) | - | - | (Note 4) | (687) | 100% | (687) | 7,677 | - |
| D. Mag | Manufacturing and sales of new aluminum alloy products | RMB 360,000 | (Note 6) | (Note 6) | - | - | (Note 6) | 361,238 | 60% | 215,760 | 4,477,821 | 195,217 |
| Light Metal Haian | Manufacturing and sales of alloy materials, semi-solid aluminum, and superplastic aluminum | RMB 120,000 | (Note 7) | (Note 7) | - | - | (Note 7) | (19,258) | 60% | (11,631) | 166,232 | - |

| Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2025 | Investment Amounts Authorized by Investment Commission, Ministry of Economic Affairs (MOEA) | Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA |
|---|---|---|
| \$ 3,646,639 | USD 178,000 and RMB 21,261 | (Note 9) |

Note 1: Reinvestment in Mainland China through an investment company established in a third region.

Note 2: Investee of Giant.

Note 3: Investee of Giant Holding.

Note 4: Investee of Giant China.

Note 5: Investee of Giant Kunshan.

Note 6: Investee of Giant Light Metal Technology (Kunshan) Co., Ltd. ("Giant Light Metal"), an investee of Darzins. Giant Light Metal was dissolved through merger in November 2020. After the merger, with D. Mag as the surviving company. Accumulated investment amount was \$275,925 thousand.

Note 7: Investee of D. Mag.

Note 8: The investment income (loss) is recognized according to the financial statements audited by the same accounting firm as the parent company's independent auditors.

Note 9: According to the "Principles for Reviewing Investment or Technical Cooperation in the Mainland China" issued by the Investment Commission of the Ministry of Economic Affairs on August 29, 2008, the investment in mainland China has no maximum limitation since the Company obtained a certificate from the Industrial Development Bureau regarding the Company's establishment of an operating headquarter in Taiwan.

Note 10: Transactions have been eliminated.