SOLOMON Technology Corporation and Subsidiaries
Consolidated Financial Statements and Independent Auditor's Review Report
First Quarter 2026 and 2025
(Stock Code 2359)

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SOLOMON Technology Corporation and Subsidiaries
Consolidated Financial Statements and Independent Auditor's Review Report for First Quarter 2026 and 2025
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Independent Auditor's Review Report

(2026) Letter Cai-Shen-Bao-Zi No. 25007317

To SOLOMON Technology Corporation:

Introduction

We reviewed the consolidated balance sheets of SOLOMON Technology Corporation and its subsidiaries (hereinafter referred to as "Solomon Group") as of March 31, 2026 and 2025, and their consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the periods from January 1 to March 31, 2026 and 2025 and the notes to the consolidated financial statements (including the summary of material accounting policies). Compiling fairly presented consolidated financial statements according to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission is the responsibility of the management. Our responsibility is to make conclusions about the consolidated financial statements based on the review result.

Scope

Except as explained in the Basis of Qualified Conclusion paragraph, we conducted our review in accordance with the Standards on Review Engagements of the Republic of China No. 2410 "Review of Financial Statements." The procedures carried out during the review of the consolidated financial statements include inquiries (mainly to the personnel in charge of financial and accounting matters), analytical procedures and other review procedures. The scope of the review is obviously narrower than the scope of the audit. Hence, we may not identify the material matters that can be identified during the audit and, thus, cannot give audit opinions.

Basis of Qualified Conclusion

As disclosed in Notes 4 (3) and 6 (8) to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements and investments accounted for using the equity method for the same period were not reviewed by us. As of March 31, 2026and 2025, the total assets (including the investments accounted for using the equity method) of these non-significant subsidiaries were NT$1,316,272 thousand and NT$1,719,829 thousand, representing 12.5% and 17.1%, respectively, of the consolidated total assets; the total liabilities were NT$401,689 thousand and NT$837,578 thousand, representing 9.4% and 21.0%, respectively, of the consolidated total liabilities; for the three months ended March 31, 2026 and 2025, the total comprehensive income of these non-significant subsidiaries was NT$24,979 thousand and NT$(92,067) thousand, representing 15.7%and (445.5%), respectively, of the consolidated comprehensive income.

Qualified Conclusion

Based on our review, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and investments accounted for using the equity method as described in the Basis of Qualified Conclusion paragraph and the relevant information disclosed in Note 13 been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Solomon Group as of March 31, 2026 and 2025and its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission.

PricewaterhouseCoopers Taiwan

Wen Ya-Fang

CPA

Lin Se-Kai

Financial Supervisory Commission
Approval No.: Jin-Guan-Zheng-Shen-Zi No. 1100350706
Former Securities and Futures Bureau, Financial Supervisory Commission, Executive Yuan
Approval No.: Jin-Guan-Zheng-Liu-Zi No. 0960072936

May 11, 2026

SOLOMON Technology Corporation and Subsidiaries
Consolidated Balance Sheet
March 31, 2026 and December 31 and March 31, 2025

Unit: NT$ Thousand

	Assets	Note	March 31, 2026 Amount	%	December 31, 2025 Amount	%	March 31, 2025 Amount	%
	Current assets							
1100	Cash and cash equivalents	6 (1)	$ 2,450,934	23	$ 2,213,779	22	$ 1,842,145	18
1110	Financial assets measured at fair value through profit or loss – current	6 (2)	908,383	9	780,458	8	763,889	8
1136	Financial assets measured at amortized cost – current	6 (4)	1,595,300	15	1,569,836	16	1,923,154	19
1150	Net notes receivable	6 (5)	52,224	1	25,958	-	28,909	-
1170	Net accounts receivable	6 (5)	855,264	8	834,346	8	1,082,224	11
1200	Other receivables		24,131	-	19,172	-	19,733	-
1220	Income tax assets in the current period		883	-	7,643	-	7,249	-
130X	Inventory	6 (6)	2,117,813	20	2,169,153	21	1,717,279	17
1410	Prepayments	6 (7)	388,618	4	406,583	4	587,419	6
11XX	**Total current assets**		8,393,550	80	8,026,928	79	7,972,001	79
	Non-current assets							
1510	Financial assets measured at fair value through profit or loss – non-current	6 (2)	262,004	3	279,062	3	260,750	3
1517	Financial assets measured at fair value through other comprehensive income – non-current	6 (3)	19,527	-	20,109	-	47,659	-
1535	Financial assets measured at amortized cost – non-current	6 (4) and 8	47,318	-	46,174	1	76,571	1
1550	Investments accounted for using the equity method	6 (8)	34,691	-	34,943	-	35,863	-
1600	Property, plant and equipment	6 (9) and 8	460,516	4	453,470	5	440,808	4
1755	Right-of-use assets	6 (10)	266,930	3	185,714	2	203,421	2
1760	Net investment property	6 (12) and 8	849,181	8	851,831	8	860,466	9
1780	Intangible assets		1,715	-	3,058	-	1,285	-
1840	Deferred income tax assets		63,394	1	61,708	1	61,426	1
1900	Other non-current assets	6 (13) and 8	121,345	1	138,548	1	110,889	1
15XX	**Total non-current assets**		2,126,621	20	2,074,617	21	2,099,138	21
1XXX	**Total assets**		$ 10,520,171	100	$ 10,101,545	100	$ 10,071,139	100

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SOLOMON Technology Corporation and Subsidiaries
Consolidated Balance Sheet
March 31, 2026 and December 31 and March 31, 2025

Unit: NT$ Thousand

	Liabilities and equity	Note	March 31, 2026 Amount	%	December 31, 2025 Amount	%	March 31, 2025 Amount	%
	Current liabilities							
2100	Short-term loans	6 (14)	$ 650,000	6	$ 663,000	7	$ 771,000	8
2130	Contractual liabilities – current	6 (21)	1,934,014	18	1,612,024	16	1,447,329	14
2150	Notes payable		105	-	4,264	-	168	-
2170	Accounts payable		876,763	8	915,238	9	972,741	10
2200	Other payables	6 (15)	369,568	4	236,397	2	345,822	4
2230	Income tax liabilities in the current period		40,765	-	37,957	-	69,542	1
2250	Liability provisions – current	6 (16)	41,947	1	41,623	1	22,364	-
2280	Lease liabilities – current		70,922	1	33,443	-	32,494	-
2300	Other current liabilities	6 (11)	14,583	-	14,837	-	16,727	-
21XX	**Total current liabilities**		3,998,667	38	3,558,783	35	3,678,187	37
	Non-current liabilities							
2570	Deferred income tax liabilities		109,316	1	98,916	1	123,601	1
2580	Lease liabilities – non-current		165,473	2	162,283	2	178,318	2
2600	Other non-current liabilities		10,465	-	10,465	-	10,674	-
25XX	**Total non-current liabilities**		285,254	3	271,664	3	312,593	3
2XXX	**Total liabilities**		4,283,921	41	3,830,447	38	3,990,780	40
	Share capital	6 (18)						
3110	Common share capital		1,714,711	16	1,714,711	17	1,714,711	17
	Capital reserves	6 (19)						
3200	Capital reserves		911,351	8	911,351	9	911,351	9
	Retained earnings	6 (20)						
3310	Legal reserves		532,061	5	532,061	5	516,726	5
3320	Special reserves		109,147	1	109,147	1	125,280	1
3350	Undistributed earnings		2,605,389	25	2,642,787	26	2,438,261	24
	Other equity							
3400	Other equity		(118,375)	(1)	(135,037)	(1)	(100,189)	(1)
3500	Treasury stocks	6 (18)	(6,042)	-	(6,042)	-	(6,042)	-
31XX	**Total equity attributable to owners of the parent company**		5,748,242	54	5,768,978	57	5,600,098	55
36XX	**Non-controlling interests**		488,008	5	502,120	5	480,261	5
3XXX	**Total equity**		6,236,250	59	6,271,098	62	6,080,359	60
	Material contingent liabilities and unrecognized contractual commitments	9						
	Material subsequent events	11						
3X2X	**Total liabilities and equity**		$ 10,520,171	100	$ 10,101,545	100	$ 10,071,139	100

The attached notes to the consolidated financial statements are part of the consolidated financial statements and should be read in conjunction.

Chairman: Chen Cheng-Lung General Manager: Chen Cheng-Lung Chief Accountant: Huang Chien-Chi

SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to March 31, 2026 and 2025

Unit: NT$ Thousand
(Earnings per share in NT$)

	Item	Note	January 1 to March 31, 2026 Amount	%	January 1 to March 31, 2025 Amount	%
4000	Operating income	6 (21)	$ 890,066	100	$ 1,216,009	100
5000	Operating costs	6 (6)	(699,249)	(79)	(982,119)	(81)
5950	Net gross operating profit		190,817	21	233,890	19
	Operating expenses	6 (26) (27)				
6100	Marketing expenses		(93,408)	(10)	(90,692)	(7)
6200	Management expenses		(91,471)	(10)	(87,331)	(7)
6300	R&D expenses		(44,981)	(5)	(36,889)	(3)
6450	Expected credit impairment (loss) gain	12 (2)	3,235	-	(859)	-
6000	Total operating expenses		(226,625)	(25)	(215,771)	(17)
6900	Operating profit (loss)		(35,808)	(4)	18,119	2
	Non-operating income and expenses					
7100	Interest income	6 (22)	38,422	4	41,054	3
7010	Other income	6 (23)	16,960	2	22,897	2
7020	Other gains and losses	6 (24)	143,112	16	(31,421)	(3)
7050	Financial costs	6 (25)	(5,656)	-	(6,131)	-
7060	Share of profits/losses of associates and joint ventures under the equity method	6 (8)	(252)	-	(309)	-
7000	Total non-operating income and expenses		192,586	22	26,090	2
7900	**Pre-tax profit**		156,778	18	44,209	4
7950	Income tax expense	6 (28)	(13,846)	(2)	(31,096)	(3)
8200	**Net profit in the current period**		$ 142,932	16	$ 13,113	1
	Other comprehensive income (net)					
	Items not reclassified as profit or loss					
8316	Unrealized valuation profit or loss of investments in equity instruments measured at fair value through other comprehensive income	6 (3)	($ 582)	-	($ 4,405)	-
	Items likely to be subsequently reclassified as profit or loss					
8361	Exchange differences on translation of financial statements of foreign operations		16,531	2	11,958	1
8300	**Other comprehensive income (net)**		$ 15,949	2	$ 7,553	1
8500	**Total comprehensive income in the current period**		$ 158,881	18	$ 20,666	2
	Net profit attributable to:					
8610	Owners of the parent company		$ 134,073	15	$ 12,137	1
8620	Non-controlling interests		$ 8,859	1	$ 976	-
	Total comprehensive income attributable to:					
8710	Owners of the parent company		$ 150,735	17	$ 21,095	2
8720	Non-controlling interests		$ 8,146	1	($ 429)	-
	Basic earnings per share	6 (29)				
9750	Basic earnings per share		$ 0.78		$ 0.07	
	Diluted earnings per share	6 (29)				
9850	Diluted earnings per share		$ 0.78		$ 0.07	

The attached notes to the consolidated financial statements are part of the consolidated financial statements and should be read in conjunction.

Chairman: Chen Cheng-Lung General Manager: Chen Cheng-Lung Chief Accountant: Huang Chien-Chi

SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to March 31, 2026 and 2025

Unit: NT$ Thousand

		Equity attributable to owners of the parent company										
				Retained earnings			Other equity					
	Note	Common share capital	Capital reserves	Legal reserves	Special reserves	Undistributed earnings	Exchange differences on translation of financial statements of foreign operations	Unrealized valuation profit or loss of financial assets measured at fair value through other comprehensive income	Treasury stocks	Total	Non-controlling interests	Total equity
January 1 to March 31, 2025												
Balance on January 1, 2025		$ 1,714,711	$ 911,355	$ 516,726	$ 125,280	$ 2,597,595	($ 104,674)	($ 4,473)	($ 6,042)	$ 5,750,478	$ 497,234	$ 6,247,712
Net profit in the current period		-	-	-	-	12,137	-	-	-	12,137	976	13,113
Other comprehensive income in the current period		-	-	-	-	-	11,223	(2,265)	-	8,958	(1,405)	7,553
Total comprehensive income in the current period		-	-	-	-	12,137	11,223	(2,265)	-	21,095	(429)	20,666
Allocation and distribution of earnings:	6 (20)											
Cash dividends		-	-	-	-	(171,471)	-	-	-	(171,471)	-	(171,471)
Recognized changes in ownership interests in subsidiaries	6 (8) (19)	-	(4)	-	-	-	-	-	-	(4)	(3)	(7)
Increase/decrease in non-controlling interests		-	-	-	-	-	-	-	-	-	(16,541)	(16,541)
Balance on March 31, 2025		$ 1,714,711	$ 911,351	$ 516,726	$ 125,280	$ 2,438,261	($ 93,451)	($ 6,738)	($ 6,042)	$ 5,600,098	$ 480,261	$ 6,080,359
January 1 to March 31, 2026												
Balance on January 1, 2026		$ 1,714,711	$ 911,351	$ 532,061	$ 109,147	$ 2,642,787	($ 105,030)	($ 30,007)	($ 6,042)	$ 5,768,978	$ 502,120	$ 6,271,098
Net profit in the current period		-	-	-	-	134,073	-	-	-	134,073	8,859	142,932
Other comprehensive income in the current period		-	-	-	-	-	15,638	1,024	-	16,662	(713)	15,949
Total comprehensive income in the current period		-	-	-	-	134,073	15,638	1,024	-	150,735	8,146	158,881
Allocation and distribution of earnings:	6 (20)											
Cash dividends		-	-	-	-	(171,471)	-	-	-	(171,471)	-	(171,471)
Increase/decrease in non-controlling interests		-	-	-	-	-	-	-	-	-	(22,258)	(22,258)
Balance on March 31, 2026		$ 1,714,711	$ 911,351	$ 532,061	$ 109,147	$ 2,605,389	($ 89,392)	($ 28,983)	($ 6,042)	$ 5,748,242	$ 488,008	$ 6,236,250

The attached notes to the consolidated financial statements are part of the consolidated financial statements and should be read in conjunction.

Chairman: Chen Cheng-Lung   General Manager: Chen Cheng-Lung   Chief Accountant: Huang Chien-Chi

SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Cash Flows
January 1 to March 31, 2026 and 2025

Unit: NT$ Thousand

	Note	January 1 to March 31, 2026	January 1 to March 31, 2025
Cash flows from operating activities			
Pre-tax profit in the current period		$ 156,778	$ 44,209
Adjustment items			
Profits and expenses having no effect on cash flows			
Depreciation expense (including investment property and right-of-use assets)	6 (9) (10) (12)	19,729	18,955
Amortization expense	6 (26)	1,478	497
Expected credit impairment loss (gain)	12 (2)	(3,235)	859
Net loss from financial assets measured at fair value through profit or loss	6 (2) (24)	(106,674)	73,644
Interest expense	6 (25)	5,656	6,131
Interest income	6 (22)	(38,422)	(41,054)
Dividend income	6 (23)	(830)	(520)
Share of losses of associates and joint ventures under the equity method	6 (8)	252	309
Loss from disposal of subsidiary	6 (24)	540	-
Gain from lease modification	6 (24)	(18)	-
Financial assets measured at fair value through profit or loss		4,470	(9,647)
Net notes receivable		(26,266)	4,343
Accounts receivable		(17,683)	(245,790)
Other receivables		(3,920)	(2,562)
Inventory		51,340	104,105
Prepayments		17,965	12,850
Net changes in liabilities related to operating activities			
Contractual liabilities		321,990	43,566
Notes payable		(4,159)	(3,796)
Accounts payable		(38,475)	63,169
Other payables		(56,558)	(42,572)
Liability provisions – current		324	18,275
Other current liabilities		(254)	(4,072)
Cash inflow from operations		284,028	40,899
Interest received		37,383	46,952
Interest paid		(4,382)	(6,477)
Dividends received		830	520
Income tax paid		(2,694)	(6,610)
Net cash inflow from operating activities		315,165	75,284

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SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Cash Flows
January 1 to March 31, 2026 and 2025

Unit: NT$ Thousand

	Note	January 1 to March 31, 2026	January 1 to March 31, 2025
Cash flows from investing activities			
Increase in financial assets measured at amortized cost		($ 29,733)	($ 487,625)
Decrease in financial assets measured at amortized cost		3,125	442,419
Cost of acquisition of property, plant, and equipment	6 (30)	(16,285)	(5,479)
Proceeds from disposal of property, plant, and equipment		390	-
(Increase) Decrease in deposits paid		(8,696)	(5,532)
(Increase) Decrease in other non-current assets		201	(33)
Net cash outflow from investing activities		(50,998)	(56,250)
Cash flows from financing activities			
Repayment of short-term loans	6 (31)	(80,285)	(97,745)
Borrowing of short-term loans	6 (31)	67,285	112,745
Repayment of principal of lease liabilities	6 (31)	(32,550)	(7,272)
Increase in deposits received	6 (31)	-	460
Changes in Non-controlling interests	6 (31)	(4,477)	-
Net cash inflow from financing activities		(50,027)	8,188
Effect of exchange rate		23,015	11,808
Increase in cash and cash equivalents in the current period		237,155	39,030
Opening balance of cash and cash equivalents		2,213,779	1,803,115
Closing balance of cash and cash equivalents		$ 2,450,934	$ 1,842,145

The attached notes to the consolidated financial statements are part of the consolidated financial statements and should be read in conjunction.

Chairman: Chen Cheng-Lung General Manager: Chen Cheng-Lung Chief Accountant: Huang Chien-Chi

SOLOMON Technology Corporation and Subsidiaries
Notes to the Consolidated Financial Statements
First Quarter 2026 and 2025

Unit: NT$ Thousand
(Unless otherwise specified)

1. Company history

(1) SOLOMON Technology Corporation (hereinafter referred to as the "Company") was established in the Republic of China and commenced operation in May 1990. The Company was merged with its 100%-owned subsidiaries Mo Dao Investment Co., Ltd., Long Men Technology Corporation, and De Li Investment Co., Ltd. in 2007 and 2006. After the merger, the Company survived and Mo Dao Investment Co., Ltd., Long Men Technology Corporation, and De Li Investment Co., Ltd. were dissolved. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are mainly engaged in the sale, manufacturing, agency, and import of generators, semiconductors, electronic parts, and LCDs.

(2) The Company's stock was listed on Taiwan Stock Exchange Corporation in December 1996.

2. Approval date and procedures of the financial statements

The consolidated financial statements were approved for publication by the Board of Directors on May 11, 2026.

3. Application of new and amended standards and interpretations

(1) Effect of adopting the newly promulgated or revised IFRSs endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as the "FSC")

The newly promulgated, amended and revised standards and interpretations of IFRSs endorsed and issued into effect by the FSC and applicable in 2026 are listed in the following table:

New, revised, or amended standards and interpretations	Effective date per 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
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17, "Insurance Contracts"	January 1, 2023
Amendment to IFRS 17, "Initial Application of IFRS 17 and IFRS 9 – Comparative Information"	January 1, 2023
Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026

Except for the effects of the amendments to IFRS 9 and IFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' described below, the Company has assessed that the application of the abovementioned standards and interpretations has no material impact on the Group's financial position and financial performance.

The amendments update the disclosure requirements for equity instruments designated as at fair value through other comprehensive income (FVOCI) under an irrevocable option, requiring the disclosure of their fair value by class of equity instrument, rather than by individual investment. In addition, the following information shall be disclosed: the amount of fair value gains or losses recognized in other comprehensive income during the reporting period, presented separately for the fair value gains or losses relating to investments derecognized during the period and those relating to investments held at the end of the reporting period; and the cumulative gains or losses transferred within equity during the reporting period upon derecognition of those investments. Please refer to Note 6(c) for the relevant disclosures.

(2) Effect of not adopting the newly promulgated or revised IFRSs endorsed by the FSC

None.

(3) Effect of the IFRSs issued by the IASB but not yet endorsed by the FSC

The newly promulgated or revised standards and interpretations of the IFRSs issued by the IASB but not yet endorsed by the FSC are listed in the following table:

New, revised, or amended standards and interpretations	Effective date per IASB
Amendments to IFRS 10 and IAS 28, "Sale or Contribution of Assets between an Investor and its Related party or Joint Venture"	To be determined by IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027
Amendments to IFRS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027

Note: On September 25, 2025, the Financial Supervisory Commission (FSC) announced in a press release that publicly issued companies will be required to adopt International Financial Reporting Standard 18 (hereinafter referred to as "IFRS 18") beginning in fiscal year 2028. Entities that elect to adopt IFRS 18 early may do so after the FSC's endorsement of IFRS 18.

As evaluated by the Group, except for IFRS 18 "Presentation and Disclosure in Financial Statements" to be assessed, the above standards and interpretations have no significant impact on the financial position and performance of the Group.

IFRS 18 "Presentation and Disclosure in Financial Statements" replaces IAS 1. IFRS 18 updates the structure of the statement of profit or loss, required disclosures for management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

4. Summary of material accounting policies

The main accounting policies used for preparing the consolidated financial statements are described as follows. Unless otherwise specified, such policies are consistently applicable to all reporting periods.

(1) Statement of compliance

The consolidated financial statements were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IAS 34 “Interim Financial Reporting” endorsed and issued into effect by the FSC.

(2) Basis of preparation

A. The consolidated financial statements were prepared on the basis of historical cost, except for the key items listed below:

(A) Financial assets measured at fair value through profit or loss, measured at fair value.

(B) Financial assets at fair value through other comprehensive income, measured at fair value.

(C) Defined benefit assets recognized at the net amount calculated as pension fund assets less the present value of defined benefit obligations.

B. Preparing financial statements in accordance with the International Financial Reporting Standards, International Accounting Standards, interpretations and pronouncements of interpretation endorsed and issued into effect by the FSC (hereinafter collectively referred to as IFRSs) requires the use of some important accounting estimates. During the adoption of the Group’s accounting policies, the management needs to rely on their judgment when it comes to items that require demanding judgments, are highly complex or involve material assumptions and estimates in consolidated financial statements. For details, please refer to the description in Note 5.

(3) Basis of consolidation

A. Principle for preparation of the consolidated financial statements

(A) The Group includes all its subsidiaries as entities in the consolidated financial statements. Subsidiaries refer to entities controlled by the Group. An entity is controlled by the Group when the Group is exposed and has rights to variable returns from its involvement in the entity and has the ability to affect the returns with its power over the entity. The subsidiaries are included in the consolidated financial statements from the date on which the Group obtains control and continue to be consolidated until the date when such control ceases.

(B) Transactions, balances and unrealized gains or losses between companies within the Group have been eliminated. Necessary adjustments have been made to the accounting policies of the subsidiaries to keep them consistent with those of the Group.

(C) All components of profits or losses and other comprehensive income as well as total comprehensive income are attributable to the owners of the parent company and non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

(D) Changes in the Group’s shareholding in the subsidiaries that do not result in a loss of control (transactions with non-controlling interests) are treated as equity transactions, namely transactions with the owners. The difference between the adjusted amount of non-controlling interests and the fair value of considerations paid or received is directly recognized as equity.

(E) When the Group loses control over a subsidiary, the fair value of the remaining investment in the former subsidiary is remeasured and used as the fair value of the initially recognized financial assets or the cost of the initially recognized investments in associates or joint ventures. The difference between the fair value and the carrying amount is recognized as profit or loss in the current period. The accounting treatment of all amounts related to the subsidiary and previously recognized as other comprehensive income is on the same basis as that for the Group's direct disposal of the relevant assets or liabilities. In other words, profits or losses previously recognized as other comprehensive income are reclassified as profit or loss when the relevant assets or liabilities are disposed of. Thus, the profits or losses are reclassified from equity to profit or loss when the Group loses control over the subsidiary.

B. Subsidiaries included in the consolidated financial statements:

			Shareholding percentage			
Name of investor company	Name of subsidiary	Nature of business	March 31, 2026	December 31, 2025	March 31, 2025	Description
The Company	Moredel Investment Corp. (Moredel Investment)	Professional investment	100.00	100.00	100.00	Note 2
The Company	Solomon Goldentek Display Corp. (Solomon Goldentek Display)	Manufacturing and sale of LCDs	70.77	70.77	70.77	
The Company	Solomon Cayman International Corporation (Solomon Cayman)	Investment holding	100.00	100.00	100.00	Note 6
The Company	Solomon Smartnet Corp. (Solomon Smartnet)	Manufacturing and sale of IC cards	100.00	100.00	100.00	Note 2
The Company	Solomon Wireless Technology Corp. (Solomon Wireless Technology)	Manufacturing and sale of communication products	96.41	96.41	96.41	Note 2
The Company	Total Profit Holdings Ltd. (Total Profit)	Investment holding	100.00	100.00	100.00	Note 2
The Company	Solomon Data International Corporation (Solomon Data International)	Manufacturing and sale of LCD panels	24.04	24.04	24.04	Note 1
The Company	Cornucopia Innovation Corporation (Cornucopia Innovation)	Manufacturing of electronic parts and components	35.06	35.06	35.06	Notes 1, 2
The Company	Solomon Science Technology (VN) Company Limited(Solomon Science)	Supply and sale of intelligence technology	100.00	100.00	100.00	Note 2
The Company	Solomon Technology (USA) Corporation (Solomon USA)	Supply and sale of intelligence technology	100.00	100.00	100.00	Note 2
The Company	Solomon Technology Japan Co.,Ltd.	Supply and sale of intelligence technology	100.00	100.00	100.00	Note 2
The Company	Solomon Automation (Malaysia) Sdn. Bhd.	Supply and sale of intelligence technology	100.00	100.00	-	Note 2,3
The Company	Solomon Energy Technology Corporation (Solomon Energy)	Self-usage renewable energy generation equipment	100.00	100.00	100.00	Note 2
The Company	Sheng-Peng Technology Corp. (Sheng-Peng Technology)	Import and export of electrical power-related products	-	51.00	51.00	Note 5,6

Name of investor company	Name of subsidiary	Nature of business	Shareholding percentage			Descript ion
			March 31, 2026	December 31, 2025	March 31, 2025	
Moredel Investment	Solomon Data International Corporation (Solomon Data International)	Manufacturing and sale of LCD panels	12.53	12.53	12.53	Note 1
Moredel Investment	Solomon Goldentek Display Corp. (Solomon Goldentek Display)	Manufacturing and sale of LCDs	9.26	9.26	9.26	Note 1
Solomon Cayman	Yumon International Trade Shanghai Limited Corporation (Yumon International)	International trade	100.00	100.00	100.00	Note 6
Solomon Cayman	Goldentek Display System (B.V.I.) Co.,Ltd.(Goldentek (B.V.I.))	Investment holding	0.39	0.39	0.39	Note 1
Solomon Smartnet	Solomon Data International Corporation (Solomon Data International)	Manufacturing and sale of LCD panels	14.84	14.84	14.84	Note 1
Solomon Smartnet	Solomon Goldentek Display Corp. (Solomon Goldentek Display)	Manufacturing and sale of LCDs	9.26	9.26	9.26	Note 1
Total Profit	Solomon Trading (Shenzhen) Ltd. (Solomon Shenzhen)	International trade	100.00	100.00	100.00	Note 2
Solomon Energy	Solomon Energy Technology (Singapore) Pte.Ltd (Solomon Energy (Singapore))	Self-usage renewable energy generation equipment	100.00	100.00	100.00	Note 2
Solomon Goldentek Display	Goldentek Display System (B.V.I.) Co.,Ltd.(Goldentek (B.V.I.))	Investment holding	99.61	99.61	99.61	Note 2
Solomon Goldentek Display	Futek Trading Co., Ltd.(Futek Trading)	Investment holding	-	-	100.00	Note 4, 6
Solomon Goldentek Display	Cornucopia Innovation Corporation (Cornucopia Innovation)	Manufacturing of electronic parts and components	2.07	2.07	2.07	Notes 1, 2
Solomon Goldentek Display	Solomon Goldentek Display (Hong Kong) Corp. (Hong Kong Goldentek)	Entrepot trade	100.00	100.00	100.00	
Solomon Goldentek Display	Solomon Goldentek Display (Philippines) Corp	Production and sale of LCDs and modules	100.00	100.00	-	Note 3
Display Goldentek (B.V.I.)	Solomon Goldentek Display (Dong Guan) Ltd. (Dong Guan Goldentek)	Production and sale of LCDs and modules	100.00	100.00	100.00	
Solomon Data International	Cornucopia Innovation Corporation (Cornucopia Innovation)	Manufacturing of electronic parts and components	13.22	13.22	13.22	Notes 1, 2

Note 1: The Company, directly or indirectly, collectively holds a majority of voting rights in the company.

Note 2: The financial statements of the non-significant subsidiary as of March 31, 2026 and 2025 were not reviewed by the CPA.

Note 3: The subsidiary was established in July 2025.

Note 4: The subsidiary was liquidated in October 2025.

Note 5: The subsidiary was liquidated in January 2026.

Note 6: The financial statements of the non-significant subsidiary as of March 31, 2025 were not reviewed by the CPA.

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

D. Different adjustments and treatments for subsidiaries during the accounting period: None.

E. Significant restrictions: None.

F. Subsidiaries with material non-controlling interests to the Group:

The Group's total non-controlling interests on March 31, 2026, December 31, 2025, and March 31, 2025 were $488,008, $502,120, and $480,261, respectively. The following is the information on non-controlling interests and subsidiaries that are of materiality to the Group:

		Non-controlling interests			
		March 31, 2026		December 31, 2025	
Name of subsidiary	Principal place of business	Amount	Shareholding percentage	Amount	Shareholding percentage
Solomon Goldentek Display	Taiwan	$254,087	10.71%	$251,442	10.71%

		Non-controlling interests	
		March 31, 2025	
Name of subsidiary	Principal place of business	Amount	Shareholding percentage
Solomon Goldentek Display	Taiwan	$ 244,851	10.71%

Summary of subsidiaries' financial information:

Consolidated Balance Sheet

	Solomon Goldentek Display		
	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	$ 2,010,675	$ 2,003,472	$ 2,000,608
Non-current assets	409,528	346,155	326,652
Current liabilities	(341,436)	(297,827)	(311,535)
Non-current liabilities	(216,514)	(214,275)	(239,748)
Total net assets	$ 1,862,253	$ 1,837,525	$ 1,775,977

Consolidated Statement of Comprehensive Income

	Solomon Goldentek Display	
	January 1 to March 31, 2026	January 1 to March 31, 2025
Income	$ 220,670	$ 232,077
Pre-tax profit	$ 49,618	$ 13,049
Income tax expense	(2,981)	(11,323)
Net profit from continuing operations in the current period	46,637	1,726
Other comprehensive income (after tax, net)	8,382	6,898

	January 1 to March 31, 2026	January 1 to March 31, 2025
Total comprehensive income in the current period	$ 55,019	$ 8,624
Total comprehensive income attributable to non-controlling interests	$ 5,893	$ 924

Consolidated Statement of Cash Flows

	Solomon Goldentek Display	
	January 1 to March 31, 2026	January 1 to March 31, 2025
Net cash inflow from operating activities	$ 18,542	$ 59,302
Net cash outflow from investing activities	8,198	(3,253)
Net cash outflow from financing activities	(30,154)	(5,797)
Effect of changes in exchange rate on cash and cash equivalents	7,062	6,069
Increase in cash and cash equivalents in the current period	3,648	56,321
Opening balance of cash and cash equivalents	817,992	713,865
Closing balance of cash and cash equivalents	$ 821,640	$ 770,186

(4) Foreign currency translation

All items in the financial statements of each entity in the Group are measured based on the currency of the primary economic environment where the entity operates (i.e. functional currency). The consolidated financial statements use the Company's functional currency, "NT dollars," as the presentation currency.

A. Foreign currency transactions and balances

(A) Foreign currencies in foreign currency transactions are translated into the functional currency based on the spot exchange rate on the transaction or measurement date. The translation difference generated by the translation is recognized as profit or loss in the current period.

(B) Valuation adjustments are made to the balance of monetary foreign currency assets and liabilities based on the spot exchange rate on the balance sheet date. The translation difference generated by the adjustments is recognized as profit or loss in the current period.

(C) If the balance of non-monetary foreign currency assets and liabilities is measured at fair value through profit or loss, valuation adjustments are made based on the spot exchange rate on the balance sheet date. The exchange difference generated by the adjustments is recognized as profit or loss in the current period. If the balance is measured at fair value through other comprehensive income, valuation adjustments are made based on the spot exchange rate on the balance sheet date. The exchange difference generated by the adjustments is recognized as other comprehensive income in the current period. If the balance is not measured at fair value, it is measured at the historical exchange rate on the initial transaction date.

(D) All exchange differences are recognized as "other gains and losses" in the income statement based on the nature of the transaction.

B. Translation of foreign operations

(A) The business results and financial position of all the Group's entities and associates whose functional currency and presentation currency are different are translated into the presentation currency using the following methods:

a. Assets and liabilities presented in each balance sheet are translated at the closing rate on the balance sheet date;
b. Profits and losses presented in each statement of comprehensive income are translated at the average exchange rate in the current period; and
c. All exchange differences generated from translation are recognized as other comprehensive income.

(B) When a foreign operation that is partially disposed of or sold is a subsidiary, the accumulated exchange difference recognized as other comprehensive income is re-attributed proportionally to the non-controlling interests of the foreign operation. However, when the Group retains partial interest in the former foreign subsidiary after losing control over it, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) <u>Criteria for classification of current and non-current assets and liabilities</u>

A. Assets that match any of the following conditions shall be classified as current assets:

(A) The asset is expected to be realized or is intended to be sold or depleted over normal business cycles.

(B) The asset is held primarily for the purpose of trading.

(C) The asset is expected to be realized within 12 months after the reporting period.

(D) The asset is cash or cash equivalents, excluding those that are restricted from being used for exchange or settlement of liabilities at least within 12 months after the reporting period.

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

B. Liabilities that match any of the following conditions shall be classified as current liabilities:

(A) The liability is expected to be settled over normal business cycles.

(B) The liability is held primarily for the purpose of trading.

(C) The liability is expected to be due to be settled within 12 months after the reporting period.

(D) Having no right to defer settlement of the liability for at least 12 months after the reporting period.

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

(6) Cash equivalents

Cash equivalents refer to short-term investments with high liquidity that can be converted into specified amounts of cash at any time with little risk of value changes. Time deposits and bonds under repurchase agreements that fit into the aforesaid definition and are held for the purpose of meeting short-term operating cash commitments are classified as cash equivalents.

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

A. Financial assets measured at fair value through profit or loss refer to financial assets not measured at amortized cost or at fair value through other comprehensive income.

B. The Group uses settlement date accounting for financial assets measured at fair value through profit or loss on a regular way purchase or sale basis.

C. The Group measures the financial assets at fair value at initial recognition and relevant transaction costs are recognized as profit or loss. The financial assets are subsequently measured at fair value and any gains or losses arising therefrom are recognized as profit or loss.

D. When the right to receive dividends is established, the Group recognizes the dividend income as profit or loss, provided that the economic benefits related to the dividends are likely to flow in and the amount of the dividends can be measured reliably.

(8) Financial assets measured at fair value through other comprehensive income

A. Equity investments not held for trading, for which an irrevocable decision has been made at initial recognition to present changes in fair value in other comprehensive income.

B. The Group uses trade date accounting for financial assets measured at fair value through other comprehensive income on a regular way purchase or sale basis.

C. The Group measures the financial assets at fair value plus transaction costs at initial recognition and subsequently measures them at fair value, and the changes in fair value are recognized in other comprehensive income. At the time of derecognition, the accumulated gains or losses previously recognized in other comprehensive income shall not be reclassified as profit or loss and shall be transferred to retained earnings. When the right to receive dividends is established, the Group recognizes the dividend income as profit or loss, provided that the economic benefits related to the dividends are likely to flow in and the amount of the dividends can be measured reliably.

(9) Financial assets measured at amortized cost

A. Financial assets measured at amortized cost refer to financial assets that meet all the following conditions:

(A) The financial asset is held under an operating model with the purpose of receiving contractual cash flows.

(B) The contractual terms of the financial asset generate cash flows on a specific date that are solely payments of principal and interest.

B. The Group uses trade date accounting for financial assets measured at amortized cost on a regular way purchase or sale basis.

C. The Group measures the financial assets at fair value plus transaction costs at initial recognition and subsequently recognizes interest income using the effective interest method over the circulation period according to the amortization procedure as well as impairment losses. Gains or losses on derecognition are recognized as profit or loss.

(10) Accounts and notes receivable

A. Accounts and notes receivable refer to accounts and notes with the right to unconditionally receive the consideration for which goods or services are exchanged pursuant to contractual agreements.

B. They are short-term accounts and notes receivable without payment of interest. As the discount of the accounts and notes receivable does not have significant effect, the Group measures them at the initial invoice amount.

(11) Impairment of financial assets

On each balance sheet date, the Group measures the loss allowance for financial assets measured at amortized cost, after considering all reasonable and supportable information (including forward-looking information), at the amount of the 12-month expected credit losses for those whose credit risk has not significantly increased after initial recognition; and at the amount of the expected credit losses throughout the lifetime for those whose credit risk has significantly increased after initial recognition. For accounts receivable that do not contain significant financing components, the loss allowance is measured at the amount of the expected credit losses throughout the lifetime.

(12) Derecognition of financial assets

When the Group's contractual rights to receive the cash flows from financial assets become invalid, the financial assets will be derecognized.

(13) Lessor's lease transactions – operating leases

The lease income from operating leases less any incentive given to the lessee is amortized under the straight-line method over the lease term and recognized as profit or loss in the current period.

(14) Inventory

Inventory is measured at the lower of cost or net realizable value, and its cost is determined using the moving average approach. The cost of finished goods and work in process includes the cost of raw materials and direct labor, other direct costs and production-related expenses (amortized based on normal production capacity) and excludes borrowing costs. The item-by-item method is adopted to determine the lower of cost or net realizable value. Net realizable value means the estimated selling price in the ordinary course of business less the estimated cost required for completion and the estimated cost necessary to make the sale.

(15) Investments accounted for using the equity method – associates

A. Associates refer to entities that the Group has significant influence and no control over, in which case, generally speaking, the Group directly or indirectly holds 20% or more of the voting rights in the entities. The Group adopts the equity method for its investments in associates and recognizes them at cost when acquiring them.

B. The Group recognizes its share of profits or losses after the acquisition of associates as profit or loss in the current period and recognizes its share of other comprehensive income after the acquisition as other comprehensive income. If the Group's share of losses in any associate is equal to or exceeds its interest in the associate (including any other unsecured accounts receivable), the Group does not recognize further losses, unless the Group has incurred legal or constructive obligations to or made payments on behalf of the associate.

C. When there are changes in the equity of an associate that are not associated with profits or losses and other comprehensive income and do not affect the Group's shareholding percentage in the associate, the Group recognizes all equity changes as "capital reserves" in proportion to its shareholding.

D. Unrealized gains and losses generated from transactions between the Group and its associates have been derecognized based on the percentage of its interest in the associates. Unless there is any evidence indicating that the assets transferred in the transactions have impaired, the unrealized losses are derecognized, too. Necessary adjustments have been made to the accounting policies of the associates to keep them consistent with those of the Group.

E. Where the Group does not subscribe for or acquire the new shares issued by an associate in proportion to its shareholding, thus facing a change in the investment proportion yet still having significant influence over the associate, the changes in the net equity value shall be adjusted to the "capital reserves" and "investments accounted for using the equity method." If the investment proportion becomes lower accordingly, in addition to the above adjustment, the profits or losses related to such decrease in the ownership interests that were previously recognized as other comprehensive income and shall be reclassified as profit or loss when the relevant assets or liabilities are disposed of, they shall be reclassified as profit or loss in proportion to the decrease.

F. If the Group loses significant influence over an associate when disposing of it, the accounting treatment of all amounts related to the associate previously recognized as other comprehensive income is on the same basis as that for the Group's direct disposal of the relevant assets or liabilities. In other words, profits or losses previously recognized as other comprehensive income are reclassified as profit or loss when the relevant assets or liabilities are disposed of. Thus, the profits or losses are reclassified from equity to profit or loss when the Group loses significant influence over the associate. If the Group still has significant influence over the associate, the amount previously recognized as other comprehensive income is transferred out proportionally based on the above method.

(16) Property, plant and equipment

A. Property, plant and equipment are accounted for at the acquisition cost.

B. Subsequent costs are included in the carrying amount of the asset or recognized as an individual asset only when future economic benefits associated with the item are likely to flow into the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part shall be derecognized. All other maintenance expenses are recognized as profit or loss in the current period at the time of their occurrence.

C. The property, plant and equipment are subsequently measured under the cost model. Except for land that is not depreciated, all property, plant and equipment are depreciated using the straight-line method over the estimated useful life. If the property, plant and equipment comprise any significant components, they are depreciated individually.

D. The Group reviews the residual value, useful life and depreciation method of all assets at the end of each fiscal year. If the expected residual value and useful life are different from the previous estimates or there has been a significant change in the pattern in which the future economic benefits of the asset are expected to be consumed, such change shall be treated in accordance with the requirements on changes in accounting estimates in IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" on the date of its occurrence.

The useful life of different types of assets is as follows:

Premises and buildings	3-55 years
Machines/equipment	2-10 years
Office equipment	3-10 years
Other equipment	2-15 years

(17) Lessee's lease transactions – right-of-use assets and lease liabilities

A. Lease assets are recognized as right-of-use assets and lease liabilities on the date on which they become available for use by the Group. For short-term leases or leases of low-value underlying assets, the lease payments are recognized as expense using the straight-line method over the lease term.

B. As for lease liabilities, the unpaid lease payments are recognized at present value discounted at the incremental loan interest rate of the Group on the lease commencement date. Lease payments include fixed payments, less any receivable lease incentives.

The lease liabilities are subsequently measured at amortized cost using the interest method and interest expenses are amortized over the lease term. If changes in the lease term or lease payments do not result from contract revisions, the lease liabilities are reassessed and a remeasurement is made to adjust right-of-use assets.

C. The right-of-use assets are recognized at cost (including the initially measured amount of the lease liabilities and any initial direct costs incurred) on the lease commencement date.

The right-of-use assets are subsequently measured under the cost model and are depreciated when the useful life of the right-of-use assets or the lease term expires, whichever is earlier. When reassessing the lease liabilities, any remeasurement of the lease liabilities is adjusted for the right-of-use assets.

D. For lease modifications that are changes in the lease scope, the lessee reduces the carrying amount of the right-of-use assets to reflect the partial or whole termination of the lease and recognizes the difference between the carrying amount and the remeasured amount of the lease liabilities as profit or loss. As for all the other lease modifications, the amount of the lease liabilities are remeasured and the right-of-use assets are adjusted correspondingly.

(18) Investment property

Investment property is recognized at acquisition cost and subsequently measured under the cost model. Except for land, the investment property is depreciated using the straight-line method over an estimated useful life of 3-55 years.

(19) Intangible assets

Computer software is recognized at acquisition cost and amortized using the straight-line method over an estimated useful life of 1-3 years.

(20) Impairment of non-financial assets

The Group estimates the recoverable amount of assets with signs of impairment on the balance sheet date. When the recoverable amount falls below the carrying amount, an impairment loss is recognized. The recoverable amount is the higher of the fair value of an asset less the disposal cost and the value in use. When an asset impairment recognized in prior years may no longer exist or has decreased, the impairment loss is reversed, provided that the carrying amount of the asset increased after the reversal of the impairment loss does not exceed the carrying amount of the asset less amortization or depreciation expense without recognition of the impairment loss.

(21) Loans

Loans refer to short-term borrowings from banks. At initial recognition, the Group measures the loans at fair value less transaction costs and subsequently uses the effective interest method to recognize interest expenses at the difference between the proceeds net of transaction costs and the redemption value as profit or loss over the circulation period according to the amortization procedure.

(22) Accounts and notes payable

A. Accounts and notes payable refer to debts incurred due to the purchase of raw materials, goods, or services on credit terms and notes payable arising from operating and non-operating activities.

B. They are short-term accounts and notes payable without payment of interest. As the discount of the accounts and notes payable does not have significant effect, the Group measures them at the initial invoice amount.

(23) Derecognition of financial liabilities

The Group derecognizes financial liabilities when the obligations specified in contracts are fulfilled, canceled, or expired.

(24) Liability provisions

Liability provisions (including warranty liability and onerous contracts) mean that a present or constructive obligation is incurred due to past events, which is likely to result in the need for the outflow of resources with economic benefits to settle the obligation, and the obligation shall be recognized when its amount can be estimated reliably. The liability provisions are measured at the best estimated present value of expenses required for settling the obligation on the balance sheet date. The discount rate before tax that reflects the market’s current assessment of the time value of money and liability-specific risk is used. The discounted amortization amount is recognized as interest expenses. Future operating losses shall not be recognized as liability provisions.

(25) Employee benefits

A. Short-term employee benefits

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

B. Pension

(A) Defined contribution plan

Under the defined contribution plan, pension contributions that shall be made are recognized as pension cost in the current period on an accrual basis. Pre-paid contributions are recognized as assets to the extent that a cash refund or reduction in future payments is available.

(B) Defined benefit plan

a. Under the defined benefit plan, net obligations are calculated based on the discounted future benefits earned by employees for services rendered during the current period or in the past and stated at the present value of the defined benefit obligations on the balance sheet date less the fair value of plan assets. The defined benefit obligations are calculated by an actuary using the projected unit credit method every year. The discount rate is the yield rate of government bonds that have the same currency and period under the defined benefit plan on the balance sheet date.
b. Remeasurements arising from the defined benefit plan are recognized as other comprehensive income and recorded in retained earnings in the period of their incurrence.
c. Expenses related to the service cost in the previous period are immediately recognized as profit or loss.
d. Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the previous fiscal year. Adjustments shall be made for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events, and relevant information shall be disclosed pursuant to the aforesaid policies.

C. Remuneration to employees and to directors

Remuneration to employees and to directors is recognized as expense and liabilities when it is subject to legal or constructive obligations and its amount can be estimated reasonably. Any difference between the amount of remuneration actually distributed to employees and to directors as resolved at the shareholders' meeting and the estimated amount is treated as an accounting estimate change. If employees' remuneration is distributed in shares, the closing price on the day before the date of the Board's resolution is used as a basis for calculating the number of shares to be distributed.

(26) <u>Income tax</u>

A. Income tax expense includes current and deferred income taxes. Income taxes related to the items recognized as other comprehensive income or directly recognized as equity are recognized as comprehensive income or directly recognized as equity, respectively. The other income taxes are recognized as profit or loss.

B. The Group calculates the current income tax based on the tax rates and laws of countries where the Group operates or generates taxable income that have been enacted or substantively enacted by the balance sheet date. The management regularly assesses the reporting of income taxes in accordance with applicable income tax laws and regulations and estimates income tax liabilities based on tax payments expected to be made to the taxation authority, if applicable. The income tax imposed on undistributed earnings according to the Income Tax Act is recognized as income tax on undistributed earnings based on the actual distribution of earnings only after the earnings distribution proposal is passed at the shareholders' meeting in the year following the year in which the earnings are generated.

C. Deferred income taxes are recognized at the temporary difference between the carrying amounts of assets and liabilities in the consolidated balance sheet and their tax bases using the balance sheet approach. Temporary differences resulting from investments in subsidiaries and associates are not recognized if the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences are not likely to reverse in the foreseeable future. The tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date and are expected to be applicable when the relevant deferred income tax assets are realized or deferred income tax liabilities are settled are adopted for the deferred income taxes.

D. Deferred income tax assets are recognized when it is probable that temporary differences are likely to be available for offsetting future taxable income. Unrecognized and recognized deferred income tax assets are reassessed on each balance sheet date.

E. When there is a legally enforceable right to offset the amounts of current income tax assets and liabilities recognized and an intention to settle on a net basis or realize the assets and settle the liabilities simultaneously, the current income tax assets may be offset against the current income tax liabilities. When there is a legally enforceable right to offset the amounts of current income tax assets and liabilities and when deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or different taxable entities that intend to settle on a net basis or realize the assets and settle the liabilities simultaneously, the deferred income tax assets and liabilities may be offset against each other.

F. Interim period income taxes are calculated based on the interim period profit or loss before tax for which the estimated annual average effective tax rate is adopted, and relevant information shall be disclosed pursuant to the aforesaid policies.

G. When there are tax rate changes in the interim period, the Group recognizes the effect of the changes at once in the period of their incurrence. For changes related to income taxes and items not recognized as profit or loss, the effect of the changes is recognized as other comprehensive income or equity. The effect of changes associated with income taxes and items recognized as profit or loss is recognized as profit or loss.

(27) Share capital

A. Common shares are classified as equity. The incremental cost directly attributable to the issue of new shares or stock options is recognized as a debit item of the proceeds in equity, net of income taxes.

B. When repurchasing issued shares, the Company recognizes the considerations paid, including any directly attributable incremental cost, at the net amount after tax as a debit item of shareholder equity. When reissuing the repurchased shares, the difference between the received considerations less any directly attributable incremental cost and income tax effects and the carrying amount is recognized as an adjustment to shareholder equity. In addition, since January 1, 2002, the Company’s shares held by its subsidiaries have been treated as treasury stocks.

(28) Distribution of dividends

Cash dividends distributed to the Company’s shareholders are recognized in the financial statements when a resolution to distribute the dividends is adopted at a board meeting. Stock dividends are recognized as stock dividends to be distributed after a resolution at a shareholders’ meeting and are transferred to common shares on the share issuance date.

(29) Recognition of income

A. Sale of goods

(A) Sales income is recognized when control over products is transferred to a customer. At the time the products are delivered to the designated location, the risk of the products being out of date and lost is already transferred to the customer, and the customer accepts the products pursuant to the sales contract or there is objective evidence demonstrating that all acceptance criteria have been met, and the Group has no unfulfilled performance obligations that may affect the customer's acceptance of the products, the goods are deemed delivered.

(B) The Group offers a standard warranty for the products sold and is obligated to make refunds for product defects. The warranty is recognized as a liability provision at the time the products are sold.

(C) Accounts receivable are recognized when goods are delivered to a customer as the Group has had unconditional rights to contract proceeds since that time and may collect consideration from the customer after that time.

B. Costs of obtaining contracts with customers

Although it is expectable that the Group's incremental costs incurred for obtaining contracts with customers can be recovered, the costs are recognized as expense at the time of their incurrence since the relevant contract terms are shorter than one year.

(30) Government subsidies

Government subsidies shall be recognized when it is reasonable to ensure that the business will comply with the conditions incident to the government subsidies and the subsidies may be received affirmatively. If the government subsidies in nature are used to offset the expenses incurred by the Group, they are recognized as profit or loss on a systematic basis in the period during which the relevant expenses are incurred.

(31) Operating segments

Information on the Group's operating segments is reported using the same method as that for internal management reports provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources to the operating segments and evaluating their performance. The Board of Directors is identified as the chief operating decision maker of the Group.

5. Main sources of uncertainty of material accounting judgments, estimates and assumptions

When the Group prepared the consolidated financial statements, the management used their judgment to determine which accounting policies were to be adopted and made accounting estimates and assumptions based on reasonable expectations of future events and according to the situation on the balance sheet date. There might be differences between the material accounting estimates and assumptions and the actual results. Hence, historical experience and other factors would be taken into account to make continuous assessments and adjustments. Such estimates and assumptions led to a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the following fiscal year. The following is a description of the uncertainty of material accounting judgments, estimates and assumptions:

(1) Important judgments for accounting policies adopted:

None.

(2) Important accounting estimates and assumptions

A. Valuation of accounts receivable

In the process of assessing impairment on accounts receivable, the Group must use judgments and estimates to determine the future recoverability of accounts receivable. The future recoverability is subject to a number of factors that may affect customers' ability to pay, such as their financial position, internal credit ratings within the Group, and historical transaction records. When there is doubt about the recoverability of accounts receivable, the Group shall assess the possibility of recovery and make appropriate allowances for the accounts receivable separately. The impairment assessment is based on the reasonable expectation of future events according to the situation on the balance sheet date. However, the actual result may differ from the estimate, which may result in a significant change. Please refer to Note 6 (5) for the description of the estimated impairment on accounts receivable.

B. Valuation of inventory

Inventory shall be evaluated on the basis of the lower of cost or net realizable value. Hence, the Group must use judgments and estimates to determine the net realizable value of the inventory on the balance sheet date. As technology advances rapidly, the Group assesses the amount of inventory with normal wear and tear and obsolescence and without market sales value on the balance sheet date and writes down the cost of the inventory to the net realizable value. The evaluation of inventories is primarily based on the management's estimation regarding the future realization of obsolete inventories, and is therefore subject to significant changes. Please refer to Note 6 (6) for the description of inventory valuation.

6. Description of major accounts

(1) Cash and cash equivalents

Cash:	March 31, 2026	December 31, 2025	March 31, 2025
Check deposits and demand deposits	$ 1,002,273	$ 1,114,741	$ 898,110
Cash on hand and working capital	603	637	413
Cash equivalents:			
Time deposits	1,406,797	1,073,172	891,081
Bonds under repurchase agreements	41,261	25,229	52,541
	$ 2,450,934	$ 2,213,779	$ 1,842,145

A. The Group deals with financial institutions with good credit ratings and has dealings with multiple financial institutions to spread credit risk. Thus, the possibility of defaults is expected to be extremely low.

B. The time deposits provided by the Group as performance bonds and customs import guarantees have been transferred to "financial assets measured at amortized cost - non-current." Please refer to Notes 6 (4) and 8 for details.

C. The Group did not pledge the cash and cash equivalents as collateral.

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

Assets	March 31, 2026	December 31, 2025	March 31, 2025
Current items:			
Financial assets measured at fair value through profit or loss on a mandatory basis			
Listed/OTC stocks	$ 796,945	$ 640,766	$ 348,947
Domestic funds	111,438	139,692	414,942
	$ 908,383	$ 780,458	$ 763,889
Non-current items:			
Financial assets measured at fair value through profit or loss on a mandatory basis			
Emerging stocks	$ 53,895	$ 82,075	$ 114,325
Non-listed/non-OTC stocks	66,584	63,328	55,675
Limited partnership	141,525	133,659	90,750
	$ 262,004	$ 279,062	$ 260,750

A. Details on financial assets measured at fair value through profit or loss and recognized as profit or loss are as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Financial assets measured at fair value through profit or loss on a mandatory basis		
- Equity instruments	$ 105,663	($ 75,589)
- Beneficiary certificates	645	1,299
- Limited partnership	366	646
	$ 106,674	($ 73,644)
- Dividend income	830	520
	$ 107,504	($ 73,124)

B. The Group did not pledge the financial assets measured at fair value through profit or loss.

(3) Financial assets measured at fair value through other comprehensive income

Item	March 31, 2026	December 31, 2025	December 31, 2025
Non-current items:			
Equity instruments			
Non-listed, non-OTC, non-emerging stocks	$ 19,527	$ 20,109	$ 47,659

A. The Group chooses to classify equity investments that are strategic investments as financial assets measured at fair value through other comprehensive income.

B. Details on financial assets measured at fair value through other comprehensive income recognized as profit or loss and comprehensive income are as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Equity instrument measured at fair value through other comprehensive income		
Changes in fair value recognized as other comprehensive income		
Held at the end of the current period	(\$ 582)	(\$ 4,405)

C. Without considering other credit enhancements, the amount that can best represent the maximum amount of the Group's financial assets measured at fair value through other comprehensive income exposed to credit risk as of March 31, 2026, December 31, 2025 and March 31, 2025 was $19,527 , $20,109 and $47,659, respectively.

D. The Group did not pledge the financial assets measured at fair value through other comprehensive income as collateral.

E. Please refer to Note 12 (2) for information on the credit risk of the financial assets measured at fair value through other comprehensive income.

(4) Financial assets measured at amortized cost

	March 31, 2026	December 31, 2025	March 31, 2025
Current items:			
Time deposits with maturities over three months	$ 177,494	$ 177,455	$ 429,454
Common corporate bonds	1,439,775	1,414,350	1,493,700
	1,617,269	1,591,805	1,923,154
Less: Loss allowance	(21,969)	(21,969)	-
	$ 1,595,300	$ 1,569,836	$ 1,923,154
Non-current items:			
Time deposits with maturities over one year	$ 47,318	$ 46,174	$ 76,571

A. Details on financial assets measured at amortized cost recognized as profit or loss are as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Net foreign exchange gain	$ 25,425	$ 18,375
Interest income	32,270	34,319
	$ 57,695	$ 52,694

B. Please refer to Note 8 for the Group's pledging of financial assets measured at amortized cost as collateral.

C. Without considering other credit enhancements, the carrying amount of the Group's financial assets measured at amortized cost can best represent the maximum amount of their exposure to credit risk on March 31, 2026, December 31, 2025, and March 31, 2025.

D. The Group invests in certificates of deposit with financial institutions with good credit ratings. Thus, the possibility of defaults is expected to be extremely low.

E. During 2025, given the increased likelihood of the corporate bond issuer extending the principal maturity date and uncertainty regarding the interest rate during the extension period, the Group assessed that a significant increase in credit risk had occurred over the life of the instrument and measured expected credit losses $21,969 based on probability-weighted possible outcomes. For related credit risk information, please refer to Note 12(2). On October 1, 2025, the Group received notification from the aforementioned bond issuer that the bond maturity has been extended to September 25, 2026, with the annual interest rate and monthly interest payment dates remaining unchanged.

(5) Notes and accounts receivable

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable	$ 52,224	$ 25,958	$ 28,909
Accounts receivable	$ 870,468	$ 852,489	$ 1,097,229
Less: Loss allowance	(15,204)	(18,143)	(15,005)
	$ 855,264	$ 834,346	$ 1,082,224

A. The Group's notes receivable were not overdue. Please refer to the description in Note 12 (2) for the aging analysis of accounts receivable based on the number of days overdue.

B. The balances of the accounts and notes receivable on March 31, 2026, December 31, 2025, and March 31, 2025 were derived from customer contracts. The amount of total receivables from customer contracts on January 1, 2025 was $884,642, and the loss allowance was $14,097.

C. The Group did not pledge the notes and accounts receivable as collateral.

D. Without considering other credit enhancements, the amount that can best represent the maximum amount of the Group's accounts receivable and notes receivable exposed to credit risk as of March 31, 2026, December 31, 2025, and March 31, 2025 was $907,488, $860,304, and $1,111,133, respectively.

E. Please refer to Note 12 (2) for information on the credit risk of the accounts receivable.

(6) Inventory

	March 31, 2026		
	Cost	Allowance for devaluation loss	Carrying amount
Raw materials	$ 104,504	($ 43,715)	$ 60,789
Work in process	48,183	(7,508)	40,675
Finished goods	34,300	(3,894)	30,406
Inventory of goods	1,997,123	(11,180)	1,985,943
	$ 2,184,110	($ 66,297)	$ 2,117,813

	December 31, 2025		
	Cost	Allowance for devaluation loss	Carrying amount
Raw materials	$ 98,340	($ 42,682)	$ 55,658
Work in process	42,046	(3,491)	38,555
Finished goods	54,120	(3,820)	50,300
Inventory of goods	2,034,790	(10,150)	2,024,640
	$ 2,229,296	($ 60,143)	$ 2,169,153

	March 31, 2025		
	Cost	Allowance for devaluation loss	Carrying amount
Raw materials	$ 92,534	($ 49,685)	$ 42,849
Work in process	31,876	(4,250)	27,626
Finished goods	25,811	(4,213)	21,598
Inventory of goods	1,640,158	(14,952)	1,625,206
	$ 1,790,379	($ 73,100)	$ 1,717,279

The inventory costs recognized by the Group as expenses and losses in the current period:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Cost of sold inventory	$ 675,518	$ 966,872
Gain from price recovery of inventory	5,928	(1,558)
Unamortized manufacturing expenses	17,803	16,805
	$ 699,249	$ 982,119

The Group sold the inventory products for which devaluation losses were recognized during January 1 to March 31, 2025, resulting in a recovery of the net realizable value of inventory, which was recognized as a decrease in the cost of goods sold.

(7) Prepayments

	March 31, 2026	December 31, 2025	March 31, 2025
Prepayment for purchase	$ 332,310	$ 358,909	$ 491,315
Overpaid tax for offsetting future tax payable	27,345	19,053	67,736
Others	28,963	28,621	28,368
	$ 388,618	$ 406,583	$ 587,419

(8) Investments accounted for using the equity method

	2026	2025
January 1	$ 34,943	$ 36,179
Share of gains or losses form investments accounted for using the equity method	(252)	(309)
Changes in other equity	-	(7)
March 31	$ 34,691	$ 35,863

A. Associate

(A) The basic information of the Group's associates is shown below:

Company name	Principal place of business	Shareholding percentage March 31, 2026	December 31, 2025	March 31, 2025	Measurement method
Ju Xin Energy Inc.	Taiwan	4.80%	4.80%	4.80%	Equity method

(B) A summary of the financial information of the Group's associates is shown below:

Balance Sheet

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	$ 29	$ 29	$ 28
Non-current assets	723,888	729,103	748,106
Current liabilities	(1,234)	(1,187)	(1,021)
Total net assets	$ 722,683	$ 727,945	$ 747,113
Share in the net assets of the associate			
Goodwill	$ 34,689	$ 34,941	$ 35,861
Carrying value of the associate	2	2	2
	$ 34,691	$ 34,943	$ 35,863

Statement of Comprehensive Income

	January 1 to March 31, 2026	January 1 to March 31, 2025
Income	$ -	$ -
Net profit in the current period	($ 5,262)	($ 6,428)
Total comprehensive income in the current period	($ 5,262)	($ 6,428)

B. The Group recognized $252 and $309, respectively, as its share of losses on investments accounted for using the equity method for the three months ended March 31, 2026 and 2025, which were derived from valuation based on the investee companies' financial statements for the same period not reviewed by the CPA.

C. In March 2025, Ju Xin Energy Inc. arranged a cash capital increase. As the Group did not participate in such cash capital increase, the Group's shareholding dropped from 5% to 4.8%. According to accounting standards, the Group adjusted the retained earnings by $7. The Group had significant influence over the company for serving as one of its directors.

(9) Property, plant and equipment

	2026						
	Land	Premises and buildings	Machines/equipment	Office equipment	Others	Unfinished construction and equipment pending for inspection	Total
January 1							
Cost	$ 261,233	$ 201,152	$ 488,699	$ 56,741	$ 62,820	$ 6,450	$ 1,077,095
Accumulated depreciation	-	(90,303)	(444,206)	(44,377)	(44,739)	-	(623,625)
	$ 261,233	$ 110,849	$ 44,493	$ 12,364	$ 18,081	$ 6,450	$ 453,470
January 1	$ 261,233	$ 110,849	$ 44,493	$ 12,364	$ 18,081	$ 6,450	$ 453,470
Addition	-	-	3,356	649	1,156	9,785	14,946
Reclassification	-	323	-	-	-	-	323
Disposal-cost		-	(390)	-	(5,369)	-	(5,759)
Disposal-Accumulated depreciation		-	-	-	5,369	-	5,369
Depreciation expense	-	(885)	(4,979)	(1,289)	(1,123)	-	(8,276)
Net exchange differences	-	-	178	46	219	-	443
March 31	$ 261,233	$ 110,287	$ 42,658	$ 11,770	$ 18,333	$ 16,235	$ 460,516
March 31							
Cost	$ 261,233	$ 201,475	$ 504,498	$ 57,999	$ 58,951	$ 16,235	$ 1,100,391
Accumulated depreciation	-	(91,188)	(461,840)	(46,229)	(40,618)	-	(639,875)
	$ 261,233	$ 110,287	$ 42,658	$ 11,770	$ 18,333	$ 16,235	$ 460,516

	2025					
	Land	Premises and buildings	Machines/equipment	Office equipment	Others	Total
January 1						
Cost	$ 261,233	$ 201,152	$ 468,402	$ 49,690	$ 58,524	$ 1,039,001
Accumulated depreciation	-	(86,765)	(423,797)	(40,662)	(42,230)	(593,454)
	$ 261,233	$ 114,387	$ 44,605	$ 9,028	$ 16,294	$ 445,547
January 1	$ 261,233	$ 114,387	$ 44,605	$ 9,028	$ 16,294	$ 445,547
Addition	-	-	870	119	100	1,089
Reclassification	-	-	801	-	-	801
Depreciation expense	-	(884)	(4,405)	(841)	(835)	(6,965)
Net exchange differences	-	-	119	45	172	336
March 31	$ 261,233	$ 113,503	$ 41,990	$ 8,351	$ 15,731	$ 440,808
March 31						
Cost	$ 261,233	$ 201,152	$ 479,203	$ 50,255	$ 58,691	$ 1,050,534
Accumulated depreciation	-	(87,649)	(437,213)	(41,904)	(42,960)	(609,726)
	$ 261,233	$ 113,503	$ 41,990	$ 8,351	$ 15,731	$ 440,808

A. Please refer to the description in Note 8 for information on the Group's provision of the property, plant and equipment as collateral.

B. There was no interest capitalization on the property, plant and equipment.

(10) Lease transactions – lessee

A. The Group's leased assets include land , buildings and company vehicles and the leases often have a term of 2 to 50 years. The leases are individually negotiated and contain a variety of terms and conditions. The leased assets shall not be used as collateral for loans and are subject to no other limitations.

B. Some of the dormitories and business vehicles leased by the Group are leased for no more than 12 months, and some of the low-value assets leased are photocopiers.

C. Changes in the Group's right-of-use assets during January 1 to March 31, 2026 and 2025 are as follows:

	2026			
	Land	Premises	Transportation equipment (company vehicles)	Total
January 1	$ -	$ 180,454	$ 5,260	$ 185,714
Addition	65,948	846	2,429	69,223
Disposal	-	-	(1,786)	(1,786)
Reclassification	17,511	-	-	17,511
Depreciation expense	-	(7,825)	(749)	(8,574)
Net exchange differences	(220)	5,062	-	4,842
March 31	$ 83,239	$ 178,537	$ 5,154	$ 266,930

	2025		
	Premises	Transportation equipment (company vehicles)	Total
January 1	$ 200,248	$ 3,182	$ 203,430
Addition	2,347	2,795	5,142
Depreciation expense	(8,452)	(720)	(9,172)
Net exchange differences	4,021	-	4,021
March 31	$ 198,164	$ 5,257	$ 203,421

D. Information on the profit or loss items related to leases is as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Items that affect profit or loss in the current period		
Interest expense on lease liabilities	$ 1,942	$ 2,700
Short-term lease expense	$ 2,332	$ 3,441
Low-value asset lease expense	$ 622	$ 834
Lease modification benefits	($ 18)	$ -

E. The total cash outflow for leases of the Group for the three months ended March 31, 2026 and 2025 was $37,446 and $14,247, respectively.

(11) Lease transactions – lessor

A. The Group's assets leased out include land and buildings and the leases often have a term of 1 to 10 years. The leases are individually negotiated and contain a variety of terms and conditions. To secure the use of the assets leased out, the lessee is often prohibited from using the leased assets as collateral for loans or from providing them for use by others using any other methods.

B. The Group recognized $14,138 and $15,340 as rental income pursuant to operating leases for the three months ended March 31, 2026 and 2025, respectively. There were no variable lease payments included.

C. The Group's rent received in advance as of March 31, 2026, December 31, 2025, and March 31, 2025 was $9,134, $9,490, and $10,144, respectively, and was stated as other current liabilities.

D. A maturity analysis of lease payments under the Group's operating leases is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Current Year	$ 34,879	$ -	$ 55,920
Year 1	26,894	46,717	29,115
Year 2	12,556	23,280	7,401
Year 3	2,352	8,942	2,352
Year 4	379	2,352	2,352
Year 5	-	379	379
	$ 77,060	$ 81,670	$ 97,519

(12) Investment property

	2026		
	Land	Premises and buildings	Total
January 1			
Cost	$ 584,517	$ 596,875	$ 1,181,392
Accumulated depreciation and impairment	(17,590)	(311,971)	(329,561)
	$ 566,927	$ 284,904	$ 851,831
January 1	$ 566,927	$ 284,904	$ 851,831
Depreciation expense	-	(2,879)	(2,879)
Reclassification	-	229	229
March 31	$ 566,927	$ 282,254	$ 849,181
March 31			
Cost	$ 584,517	$ 597,104	$ 1,181,621
Accumulated depreciation and impairment	(17,590)	(314,850)	(332,440)
	$ 566,927	$ 282,254	$ 849,181

	2025		
	Land	Premises and buildings	Total
January 1			
Cost	$ 584,517	$ 596,875	$ 1,181,392
Accumulated depreciation and impairment	(17,590)	(300,518)	(318,108)
	$ 566,927	$ 296,357	$ 863,284
January 1	$ 566,927	$ 296,357	$ 863,284
Depreciation expense	-	(2,818)	(2,818)
March 31	$ 566,927	$ 293,539	$ 860,466
March 31			
Cost	$ 584,517	$ 596,875	$ 1,181,392
Accumulated depreciation and impairment	(17,590)	(303,336)	(320,926)
	$ 566,927	$ 293,539	$ 860,466

A. Rental income and direct operating expenses on investment property:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Rental income on investment property	$ 14,138	$ 15,340
Direct operating expenses incurred from investment property generating rental income in the current period	$ 3,959	$ 3,860
Direct operating expenses incurred from investment property not generating rental income in the current period	$ 122	$ 58

B. The fair value of the investment property held by the Group on March 31, 2026, December 31, 2025, and March 31, 2025 was $1,836,168, $1,836,168, and $1,759,635, respectively, according to the valuation results provided by the independent valuation experts. The fair values were calculated using the income approach and comparative approach with a certain weight taken into account, and are level 3 fair values. The key assumptions in the income approach are shown below:

	March 31, 2026	December 31, 2025	March 31, 2025
Income capitalization rate	1.75%~5.57%	1.75%~5.75%	1.66%~4.48%

C. Please refer to the description in Note 8 for information on the Group's provision of the investment property as collateral.

(13) Other non-current assets

	March 31, 2026	December 31, 2025	March 31, 2025
Receivables on demand	$ 201,083	$ 200,940	$ 201,478
Less: Loss allowance	(201,083)	(200,940)	(201,478)
Deposits paid	42,119	33,423	33,590
Net defined benefit assets	62,985	62,999	56,972
Prepayments for investments	-	17,511	
Prepayments for equipment-related	-	7,500	
Prepayments for equipment-related accounts	-	552	4,082
Others	16,241	16,563	16,245
	$ 121,345	$ 138,548	$ 110,889

To meet global customer demand and expand its presence in the Asia-Pacific market, the Group's subsidiary, Fortune Rich Technology, resolved at the Board of Directors meeting on May 16, 2025 to establish a wholly-owned subsidiary, Solomon Goldentek Display (Philippines) Corp., in the Philippines. The incorporation registration was completed on July 3, 2025.

Due to plant construction requirements, the subsidiary entered into a land lease letter of intent with LIMA LAND, INC. in April 2025 and made payments in accordance with the agreement. As of December 31, 2025, payments totaling PHP 32,823 thousand (equivalent to NT$17,511 thousand) had been made. The aforementioned land lease agreement was formally executed on January 8, 2026, with a total contract value of PHP 158,592 thousand and a lease term of 50 years , please refer to Note 6(10).

(14) Short-term loans

	March 31, 2026	December 31, 2025	March 31, 2025
Bank loans			
Secured loans	$ 650,000	$ 650,000	$ 688,000
Credit loans	-	13,000	83,000
	$ 650,000	$ 663,000	$ 771,000
Range of interest rates	1.85%~1.88%	1.85%~2.30%	1.85%~2.78%

For the collateral of the Group's short-term loans, please refer to Note 8.

(15) Other payables

	March 31, 2026	December 31, 2025	March 31, 2025
Cash dividends payable	$ 189,794	$ -	$ 188,013
Salaries and bonuses payable	66,735	116,751	66,411
Remuneration to directors and supervisors payable	9,928	6,830	5,493
Employee remuneration payable	4,964	3,406	2,747
Service expense payable	9,489	6,690	7,704
Freight and import/export fees payable	1,922	3,061	2,837
Investment payable	1,871	1,871	-
Equipment-related accounts payable	315	1,654	24
Others	84,550	96,134	72,593
	$ 369,568	$ 236,397	$ 345,822

(16) Liability provisions – current

	2026		
	Onerous contracts	Warranty provision	Total
Balance on January 1	$ 36,050	$ 5,573	$ 41,623
Added liability provisions in the current period	-	556	556
Liability provisions used in the current period	-	(55)	(55)
Unused amount reversed in the current period	-	(177)	(177)
Balance on March 31	$ 36,050	$ 5,897	$ 41,947

	2025		
	Onerous contracts	Warranty provision	Total
Balance on January 1	$ -	$ 4,089	$ 4,089
Added liability provisions in the current period	17,269	2,378	19,647
Liability provisions used in the current period	-	(973)	(973)
Unused amount reversed in the current period	-	(399)	(399)
Balance on March 31	$ 17,269	$ 5,095	$ 22,364

A. Onerous contracts

The Group's liability provisions for onerous contracts are mainly the difference between the future unavoidable cost estimated for performing the irrevocable contracts and the income expected to be earned from such contracts. This estimate may be changed at any time due to changes in the actual situation.

B. Warranty provision

The Group's warranty liability provisions are mainly associated with the sale of LCD products and are estimated based on the historical warranty data of the products. The Group expects that the liability provisions will be used in the following year.

(17) Net defined benefit assets

A. Defined benefit plan

(A) The Company and its domestic subsidiaries have established defined benefit plans in accordance with the “Labor Standards Act.” The plans are applicable to the length of service of all full-time employees calculated before the “Labor Pension Act” was implemented on July 1, 2005, and the length of service of employees who choose to stay in the pension scheme under the Labor Standards Act after the implementation of the “Labor Pension Act.” The pension paid to employees who meet the criteria for retirement is calculated based on their length of service and their average salary for the 6 months prior to their retirement. Employees whose length of service is no more than 15 years (inclusive) will receive two base points for each year of service and employees whose length of service is more than 15 years will receive one base point for each additional year of service. The maximum number of accumulated base points is 45. The Company and its domestic subsidiaries make a pension contribution of 2% of the total salary on a monthly basis and deposit it into a special account with the Bank of Taiwan in the name of the Labor Pension Fund Supervisory Committee. In addition, before the end of each fiscal year, if the balance of the labor pension fund account referred to in the preceding paragraph is insufficient to pay the pension calculated above to employees expected to meet the criteria for retirement in the following fiscal year, the Company and its domestic subsidiaries will make a full, one-off contribution by the end of March of the next fiscal year.

(B) The Company and subsidiary Solomon Goldentek Display Corp. applied to the Department of Labor, Taipei City Government for approval of a suspension of pension contribution from January 2025 to July 2026.

(C) The pension cost recognized by the Group in accordance with the aforesaid pension plan for the three months ended March 31, 2026 and 2025 was $0 and $6, respectively.

B. Defined contribution plan

(A) Since July 1, 2005, the Company and its domestic subsidiaries have their defined contribution plans in place in accordance with the “Labor Pension Act.” The plans are applicable to employees who are of Taiwanese nationality. The Company and its domestic subsidiaries make and deposit a labor pension distribution of 6% of the salary of the employees who choose to opt in to the labor pension scheme under the “Labor Pension Act” into their personal accounts with the Bureau of Labor Insurance every month. The pension is paid monthly or at once to the employees based on the amount of money in their personal pension accounts and the accumulated gains.

(B) The Group’s subsidiaries in China make an endowment insurance contribution of a certain percentage of the total salary of the local employees on a monthly basis under the endowment insurance system as required by the Government of the People’s Republic of China. The pension of every employee is managed and arranged by the government. The Group is only obligated to make a monthly contribution and has no further obligation.

(C) The pension cost recognized by the Group in accordance with the aforesaid pension plan for the three months ended March 31, 2026 and 2025 was $11,034 and $10,929, respectively.

(18) Share capital

A. As of both March 31, 2026 and 2025, the Company's authorized capital was $5,000,000 , divided into 500,000 thousand shares with a par value of NT$10 per share. The shares were authorized to be issued in installments by the Board of Directors, of which 56,000 thousand shares were reserved for the exercise of stock warrants attached to employee stock options, preferred shares with warrants, or corporate bonds with warrants. The number of outstanding shares of the Company (excluding treasury shares) was 171,371 thousand shares for both periods. Payment for the issued shares of the Company has been received, and the number of outstanding shares at the beginning and end of the period remained the same.

B. Treasury stocks

(A) The Company's consolidated subsidiary Moredel Investment Corp. held a total of 100 thousand shares in the Company to ensure financial operations before the Company Act was amended on November 12, 2001. The carrying value of the Company's treasury stocks on March 31, 2026, December 31, 2025, and March 31, 2025 was $6,042.

(B) According to the Securities and Exchange Act, treasury stocks held by the Company shall not be pledged or be entitled to any shareholder rights.

(19) Capital reserves

A. Pursuant to the Company Act, the capital reserve generated from the income derived from the issuance of new shares at a premium and from the endowments received may not only be used to offset losses, but also be distributed to shareholders in new shares or cash in proportion to the shares initially held thereby if the Company has no accumulated losses. According to the relevant provisions in the Securities and Exchange Act, the total proportion of the above capital reserve used for capitalization is limited to 10% of the paid-in capital every year. The Company shall not use the capital reserve to offset capital losses, unless the surplus reserve is insufficient to offset such losses.

B. Details on and changes in the Company's capital reserve are shown below:

	2026					
	Trading of treasury stocks	Recognized changes in ownership interests in subsidiaries	Difference between the consideration and the carrying value of subsidiaries acquired or disposed of	Consolidated excess	Others	Total
January 1 (March 31)	$ 32,683	$ 142,587	$ 696,292	$ 9,473	$ 30,316	$ 911,351

	2025					
	Trading of treasury stocks	Recognized changes in ownership interests in subsidiaries	Difference between the consideration and the carrying value of subsidiaries acquired or disposed of	Consolidated excess	Others	Total
January 1	$ 32,683	$ 142,591	$ 696,292	$ 9,473	$ 30,316	$ 911,355
Changes in interests in subsidiaries recognized according to shareholding	-	(4)	-	-	-	(4)
March 31	$ 32,683	$ 142,587	$ 696,292	$ 9,473	$ 30,316	$ 911,351

(20) <u>Retained earnings</u>

A. According to the Articles of Incorporation, the Company may distribute earnings or offset losses after the end of each half of a fiscal year. Where the Company has earnings at the year-end closing for the first half of a fiscal year or a fiscal year, 10% thereof shall be set aside as legal reserves as required by law after they are used to pay taxes and offset accumulated losses. Provision for special reserves is then required pursuant to the Securities and Exchange Act and related administrative rules. The remaining earnings, if any, shall be added to the undistributed earnings carried from prior years as distributable earnings. The Board of Directors shall subsequently draw up a distribution proposal and submit the same to a shareholders' meeting for a resolution on the distribution of the earnings. The Board of Directors is authorized to adopt a resolution to distribute the above-mentioned earnings, legal reserve, and capital reserve in cash at a meeting attended by more than two-thirds of directors with the consent of a majority of all attending directors, and the distribution shall be reported at a shareholders' meeting. The distribution of earnings, legal reserve, and capital reserve by issuing new shares is subject to a resolution adopted at a shareholders' meeting according to the preceding paragraph.

B. The legal reserve shall not be used unless it is used to offset the Company's losses and distributed to shareholders in new shares or cash in proportion to the shares initially held thereby. The legal reserve shall not be distributed in new shares or cash unless the portion distributed exceeds 25% of the paid-in capital.

C. The Company may distribute earnings only after recognizing special reserves based on the debit balance of equity items on the balance sheet in the current year as required by law. When the debit balance of the equity items is reversed subsequently, the reversed amount may be included as distributable earnings.

D. The Company's 2025 and 2024 earning distribution proposals presented at the board meeting on March 13, 2026 and approved at the shareholders' meeting on June 10, 2025, respectively, are stated as follows:

	2025		2024	
	Amount	Dividend per share (NT$)	Amount	Dividend per share (NT$)
Set aside as legal reserve	$ 21,586		$ 15,335	
(Reversed) Set aside as special reserves	25,890		(16,133)	
Cash dividends	171,471	$ 1.00	171,471	$ 1.00

For the Company's 2025 and 2024 earning distribution proposals, the cash dividend was approved at the above-mentioned board meeting and stated as "other payables." The other parts of the proposals have not been approved at a shareholders' meeting as of the review report date. For the earning distribution approved by the Board of Directors and resolved at the shareholders' meeting, please visit the Market Observation Post System.

(21) <u>Operating income</u>

A. Sub-items of income from contracts with customers

The Group's income from goods and services transferred at a specific timing is disaggregated by product segment. Please refer to Note 14 (2) for relevant information.

	January 1 to March 31, 2026	January 1 to March 31, 2025
Income from contracts with customers	$ 890,066	$ 1,216,009

B. Contractual liabilities

The Group's recognized contractual liabilities related to the income from contracts with customers are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Electromechanical Business Group	$ 1,885,862	$ 1,563,930	$ 1,408,220	$ 1,347,346
Others	48,152	48,094	39,109	56,417
	$ 1,934,014	$ 1,612,024	$ 1,447,329	$ 1,403,763

The opening balance of the Group's contractual liabilities recognized as income for the three months ended March 31, 2026 and 2025 was $44,796 and $146,730, respectively.

(22) Interest income

	January 1 to March 31, 2026	January 1 to March 31, 2025
Interest income from financial assets measured at amortized cost	$ 32,270	$ 34,319
Bank deposit interest	6,152	6,735
	$ 38,422	$ 41,054

(23) Other income

	January 1 to March 31, 2026	January 1 to March 31, 2025
Rental income	$ 14,138	$ 15,340
Dividend income	830	520
Government subsidy income	342	5,863
Others	1,650	1,174
	$ 16,960	$ 22,897

(24) Other gains and losses

	January 1 to March 31, 2026	January 1 to March 31, 2025
Loss from financial assets measured at fair value through profit or loss	$ 106,674	($ 73,644)
Net gain from foreign currency exchange	44,689	48,312
Depreciation expense of investment property	(2,879)	(2,818)

Gain from disposal of investments	(540)	-
Gain from lease modification	18	-
Others	(4,850)	(3,271)
	$ 143,112	($ 31,421)

(25) Financial costs

	January 1 to March 31, 2026	January 1 to March 31, 2025
Interest expense		
– Bank loans	$ 3,714	$ 3,431
– Leases	1,942	2,700
	$ 5,656	$ 6,131

(26) Additional information on the nature of expenses

	January 1 to March 31, 2026	January 1 to March 31, 2025
Employee benefit expenses	$ 198,671	$ 189,282
Depreciation expense of property, plant and equipment	8,276	6,965
Depreciation expense of right-of-use assets	8,574	9,172
Service expense	9,843	11,253
Operating rent	2,954	4,275
Transportation expense	2,256	2,082
Amortization expense	1,478	497
	$ 232,052	$ 223,526

(27) Employee benefit expenses

	January 1 to March 31, 2026	January 1 to March 31, 2025
Salary expense	$ 162,350	$ 156,261
Labor and health insurance expenses	12,054	11,945
Pension expense	11,034	10,935
Remuneration to directors	4,537	1,680
Other employment expenses	8,696	8,461
	$ 198,671	$ 189,282

A. According to the Articles of Incorporation, the Company shall subtract any accumulated losses from earnings in the year. A minimum amount of 1% of the remaining (if any) shall be appropriated as remuneration to employees and a maximum amount of 2% shall be appropriated as remuneration to directors. In the remuneration to employees described in the preceding paragraph, no less than 10% shall be distributed to entry-level employees.

B. For the three months ended March 31, 2026 and 2025, the Company's estimated amount of remuneration to employees was $1,494 and $292, respectively, and the estimated amount of remuneration to directors was $2,988 and $584, respectively. The above amounts were stated as salary expense.

The remuneration to employees and to directors for the three months ended March 31, 2026 was estimated as 1% and 2%, respectively, of the earnings in the period.

C. There is consistency between the amounts of remuneration to employees and to directors for 2025 resolved by the Board of Directors, which were $2,306 and $4,612, and the amounts recognized in the financial statements for 2025. The aforesaid remuneration to employees and to directors is to be paid in cash. As of May 11, 2026, the remuneration has not been paid.

Please visit the Market Observation Post System for information on the remuneration to employees and to directors resolved by the Board of Directors.

(28) Income tax

A. Income tax expenses:

The income tax expenses comprise the following:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Income tax in the current period:		
Income tax incurred from income in the current period	$ 5,056	$ 21,993
Deferred income tax:		
Initial generation and reversal of temporary differences	8,790	9,103
Income tax expense	$ 13,846	$ 31,096

B. Approval of the Group's profit-seeking enterprise income tax returns by the tax authority:

	Year of approval of income tax return
The Company	2022
Solomon Goldentek Display Corp.	2023
Solomon Data International Corporation	2024

(29) Earnings per share

	January 1 to March 31, 2026		
	Amount after tax	Weighted average outstanding shares (thousand shares)	Earnings per share (NT$)
Basic earnings per share			
Net profit attributable to the shareholders of the parent company in the current period	$ 134,073	171,371	$ 0.78
Diluted earnings per share			
Effect of dilutive potential common shares			
- remuneration to employees		30	
Net profit attributable to the shareholders of the parent company in the current period plus the effect of potential common shares	$ 134,073	171,401	$ 0.78

	January 1 to March 31, 2025		
	Amount after tax	Weighted average outstanding shares (thousand shares)	Earnings per share (NT$)
Basic earnings per share			
Net profit attributable to the shareholders of the parent company in the current period	$ 12,137	171,371	$ 0.07
Diluted earnings per share			
Effect of dilutive potential common shares			
- remuneration to employees		13	
Net profit attributable to the shareholders of the parent company in the current period plus the effect of potential common shares	$ 12,137	171,384	$ 0.07

(30) Supplementary information on cash flows

A. Investment activities with only partial payment in cash:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Purchase of property, plant and equipment	$ 15,269	$ 1,089

Plus: Equipment-related accounts payable at beginning of the period	1,654	4,414
Plus: Prepayments for equipment-related accounts at end of the period	-	4,082
Less: Prepayments for equipment-related accounts at beginning of the period	(323)	(4,082)
Less: Equipment-related accounts payable at end of the period	(315)	(24)
Cash amount paid in the current period	$ 16,285	$ 5,479

B. Financing activities not affecting cash flows:

	March 31, 2026	March 31, 2025
Reclassification of Inventories to Property, Plant and Equipment	$ -	$ 801
Reclassification of Advance Payments for Equipment to Investment Property	229	-
Cash dividends declared but not yet distributed	189,794	188,013

(31) Changes in liabilities from financing activities

	2026				
	Short-term loans	Dividends payable	Deposits received	Lease liabilities	Total liabilities from financing activities
January 1	$ 663,000	$ -	$ 10,465	$ 195,726	$ 869,191
Changes in cash flows from financing activities	(13,000)	189,794	-	(32,550)	144,244
Interest expenses paid (Note)	-	-	-	(1,942)	(1,942)
Effect of exchange rate changes	-	-	-	5,800	5,800
Other non-cash changes	-	-	-	69,361	69,361
March 31	$ 650,000	$ 189,794	$ 10,465	$ 236,395	$ 1,086,654

Note: Stated as cash flows from operating activities

	2025				
	Short-term loans	Dividends payable	Deposits received	Lease liabilities	Total liabilities from financing activities
January 1	$ 756,000	$ -	$ 10,214	$ 208,787	$ 975,001
Changes in cash flows from financing activities	15,000	-	460	(7,272)	8,188
Interest expenses paid (Note)	-	-	-	(2,700)	(2,700)
Effect of exchange rate changes	-	-	-	4,155	4,155
Other non-cash changes	-	188,013	-	7,842	195,855
March 31	$ 771,000	$ 188,013	$ 10,674	$ 210,812	$ 1,180,499

Note: Stated as cash flows from operating activities

7. Related party transactions

(1) Names of related parties and their relationship with the Group

Names of related parties	Relationship with the Group
All directors, the General Manager, and key management	The Group's key management and governance bodies

(2) Significant transactions with the related parties

All the Group's related party transaction counterparties are entities included in the consolidated financial statements. The related transactions have been written off.

(3) Information on remuneration to key management

	January 1 to March 31, 2026	January 1 to March 31, 2025
Salaries and other short-term employee benefits	$ 20,600	$ 17,513
Post-employment benefits	183	225
	$ 20,783	$ 17,738

8. Pledged assets

Details on assets	March 31, 2026	December 31, 2025	March 31, 2025	Purpose of collateral
Investment property	$ 828,588	$ 831,238	$ 836,351	Collateral for short-term loans
Property, plant and equipment	368,092	368,631	374,736	Collateral for short-term loans
Deposits paid (stated as “other non-current assets”)	42,119	33,423	33,590	Performance bond
Financial assets measured at amortized cost – non-current	47,318	46,174	76,571	Performance bond and customs import security
	$ 1,286,117	$ 1,279,466	$ 1,321,248	

9. Material contingent liabilities and unrecognized contractual commitments

A. As of March 31, 2026, the Group’s letter of credit issued but not yet used was $130,614.

B. As of March 31, 2026, the Group’s promissory notes issued as security for the performance of sales contracts amounted to $135,110.

C. As of March 31, 2026, the Group’s promissory notes issued to implement government-subsidized plans amounted to $21,000.

D. The Group committed a total capital contribution of $45,000 under a limited partnership investment contract signed. As of March 31, 2026, the Group has invested $30,000.

E. The Group committed a total capital contribution of US$5,000 thousand under a limited partnership investment contract signed. As of March 31, 2026, the Group has invested US$3,349 thousand (equivalent to $107,542). of which $7,500 had been stated as other non-current assets since the day of the capital increase was set in March 2026. As of December 31, 2025, the aforementioned investment was presented under "Other Non-current Assets". Please refer to 6 (13) for details.

10. Material losses from disasters

None.

11. Material subsequent events

The Group's subsidiary, Solomon Data International Corporation (Solomon Data International) suffered significant losses as a result of the former management's breach of the fiduciary duties of directors and managerial officers. Accordingly, in November 2017, Solomon Data International filed a claim for damages with the Taiwan Shilin District Court by initiating an ancillary civil action to the criminal proceedings. The Criminal Division of the Shilin District Court subsequently transferred the ancillary civil action to the Civil Division. On November 26, 2025, Solomon Data International reached a settlement with one of the defendants at the Shilin District Court for NT$134,795. The Group collected the first installment in full in December 2025 and received the remaining balance in full in April 2026.

12. Others

(1) Capital management

The Group's capital management aims to ensure that the Group can operate as a going concern, maintain the best capital structure to reduce the cost of funds, and offer returns to shareholders. In order to maintain or adjust the capital structure, the Group may adjust dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

(2) Financial instruments

A. Types of financial instruments

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets			
Financial assets measured at fair value through profit or loss			
Financial assets measured at fair value through profit or loss on a mandatory basis	$ 1,170,387	$ 1,059,520	$ 1,024,639
Financial assets measured at fair value through other comprehensive income			
Investments in designated equity instruments	$ 19,527	$ 20,109	$ 47,659
Financial assets measured at amortized cost			
Cash and cash equivalents	$ 2,450,934	$ 2,213,779	1,842,145
Financial assets measured at amortized cost	1,642,618	1,616,010	1,999,725
Notes receivable	52,224	25,958	28,909
Accounts receivable	855,264	834,346	1,082,224
Other receivables	24,131	19,172	19,733
Deposits paid (stated as “other non-current assets”)	42,119	33,423	33,590
	$ 5,067,290	$ 4,742,688	$ 5,006,326
Financial liabilities			
Financial liabilities measured at amortized cost			
Short-term loans	$ 650,000	$ 663,000	$ 771,000
Notes payable	105	4,264	168
Accounts payable	876,763	915,238	972,741
Other payables	369,568	236,397	345,822
Deposits received (stated as “other non-current liabilities”)	10,465	10,465	10,674
	$ 1,906,901	$ 1,829,364	$ 2,100,405
Lease liabilities	$ 236,395	$ 195,726	$ 210,812

B. Risk management policy

(A) The Group's day-to-day operations are affected by multiple financial risks, including market risk (exchange rate risk and price risk), credit risk, and liquidity risk.

(B) The Finance Department implements risk management in accordance with the policy approved by the Board of Directors. The Group's Finance Department is responsible for identifying, assessing, and avoiding financial risks by closely cooperating with the Group's operating units.

C. Nature and level of material financial risks

(A) Market risk

Exchange rate risk

a. The Group operates internationally and thus incurs exchange rate risk generated from transactions using currencies different from the functional currencies of the Company and its subsidiaries, which mainly are the US dollar and Chinese yuan. The relevant exchange rate risk arises from future commercial transactions and recognized assets and liabilities.

b. As the business activities that the Group is engaged in involve several functional currencies (the functional currencies of the Group and some of its subsidiaries are the NT dollar and the other subsidiaries' functional currencies are the US dollar and Chinese yuan), exchange rate volatility has an effect on the Group. Information on foreign currency assets and liabilities with a significant exchange rate volatility effect is shown below:

	March 31, 2026		
	Foreign currency (thousand dollars)	Exchange rate	Carrying amount (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD : NTD	$ 94,141	32.00	$3,012,041
EUR : NTD	2,358	36.71	86,562
HKD : NTD	9,969	4.08	40,683
USD : CNY	4,004	6.92	128,108
CNY : NTD	2,523	4.63	11,679
Non-monetary items			
USD : NTD	$ 3,452	32.00	$ 110,053
Financial liabilities			
Monetary items			
USD : NTD	$ 1,965	32.00	$ 62,870
CNY : NTD	2,514	4.63	11,639
EUR : NTD	1,915	36.71	70,300
HKD : NTD	645	4.08	2,633

	December 31, 2025		
	Foreign currency (thousand dollars)	Exchange rate	Carrying amount (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD : NTD	$ 91,339	31.43	$2,870,785
EUR : NTD	1,384	36.90	51,070
HKD : NTD	10,413	4.04	42,048
USD : CNY	1,623	7.03	51,011
CNY : NTD	7,505	4.50	33,742
Non-monetary items			
USD : NTD	$ 3,471	31.43	$ 109,097
Financial liabilities			
Monetary items			
USD : NTD	$ 1,812	31.43	$ 56,951
CNY : NTD	2,481	4.50	11,155
EUR : NTD	238	36.90	8,782
HKD : NTD	672	4.04	2,714

	March 31, 2025		
	Foreign currency (thousand dollars)	Exchange rate	Carrying amount (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD : NTD	$ 94,517	33.21	$ 3,138,437
EUR : NTD	1,191	35.97	42,840
HKD : NTD	11,506	4.27	49,108
USD : CNY	3,043	7.18	101,043
CNY : NTD	9,617	4.57	43,979
Non-monetary items			
USD : NTD	$ 1,955	33.21	$ 64,927
Financial liabilities			
Monetary items			
USD : NTD	$ 2,327	33.21	$ 77,268
EUR : NTD	818	35.97	29,423
HKD : NTD	1,353	4.27	5,776

c. As exchange rate volatility has a significant effect, all exchange gains (both realized and unrealized) recognized with respect to the monetary items of the Group for the three months ended March 31, 2026 and 2025 were $44,689 and $48,312, respectively.

d. The sensitivity analysis of the Group's exchange rate risk focused on the effect of the appreciation or depreciation of relevant foreign currencies with respect to the main foreign currency monetary items on the financial reporting date on the Group's profit or loss. When there was a 1% appreciation or depreciation of the NT dollar against the aforesaid foreign currencies, the pre-tax profit decreased or increased by $31,316 and $32,629 for the three months ended March 31, 2026 and 2025, respectively, provided that all other factors remained the same.

Price risk

a. The Group's equity instruments exposed to price risk are financial assets measured at fair value through profit or loss. To manage the price risk from investments in equity instruments, the Group diversifies its portfolio based on the limit set by it.
b. The Group mainly invests in equity instruments and open-end funds issued by domestic and foreign companies. The price of such equity instruments is affected due to the uncertainty of their future value. When the price of the equity instruments rose or dropped by 1% and all other factors remained the same, the net profit after tax decreased or increased by $11,457 and $10,083 for the three months ended March 31, 2026 and 2025, respectively, due to the loss or gain from equity instruments measured at fair value through profit or loss; and other comprehensive income increased or decreased by $195 and $477 as it was classified as gains or losses from equity instruments measured at fair value through other comprehensive income.

Cash flow and fair value interest rate risks

a. The Group's interest rate risk mainly comes from short-term loans for purchasing materials issued at floating interest rates, exposing the Group to cash flow interest rate risk. As of March 31, 2026, December 31, 2025, and March 31, 2025, the Group's loans issued at floating interest rates were mainly denominated in NTD.
b. When the loan interest rate rose or dropped by 0.25% and all other factors remained the same, the net profit after tax increased or decreased by $325 and $386 for the three months ended March 31, 2026 and 2025, respectively.

(B) Credit risk

a. The Group's credit risk is the risk of failure of a customer or a counterparty trading financial instruments with the Group to fulfill contractual obligations, leading to the Group's financial loss. The risk is mainly generated from accounts receivable that cannot be collected from the counterparty according to the payment terms and from contractual cash flows classified as investments in debt instruments measured at amortized cost.
b. According to the Group's explicitly defined internal loan policy, all operating entities of the Group must conduct management and credit risk analysis for every new customer before setting payment terms and proposing delivery terms and conditions. The customers' credit quality is assessed by taking into consideration their financial position, past experiences and other factors for internal risk control.
c. When a contract payment is more than 90 or 180 days (depending on individual operating entities) overdue according to the agreed payment terms, a default is considered to have occurred.
d. When a contract payment is more than 90 days overdue according to the agreed payment terms, the credit risk of financial assets is considered to have significantly increased after initial recognition.
e. The indicators used by the Group to identify the credit impairment of investments in debt instruments are shown below:

(a) The issuer incurs significant financial difficulties or there is a significantly increased possibility that it will enter into bankruptcy or other financial reorganization;
(b) The issuer incurs financial difficulties resulting in the disappearance of the active market of the financial asset;
(c) The issuer defaults on or fails to pay the interest or principal;
(d) There are changes adverse to national and regional economic situations that are associated with the default of the issuer.

f. The Group adopts the simplified approach to estimate expected credit losses for accounts receivable from customers by the characteristics of the customers based on a provision matrix.

g. The Group takes into consideration the study reports of Taiwan Institute of Economic Research for future prospects when adjusting the loss rate derived from information during specific historical and current periods to estimate the loss allowance for accounts receivable. The provision matrix on March 31, 2026, December 31, 2025, and March 31, 2025, respectively, is as follows:

	Not overdue	30 days or fewer overdue	31-90 days overdue	91-180 days overdue	More than 181 days overdue	Total
March 31, 2026						
Expected loss rate	0.05%~2.20%	2.24%-61.62%	44.48%~100%	98.35%~100%	100%	
Total carrying value	$ 839,989	$ 17,780	$ 2,203	$ 2,346	$ 8,150	$ 870,468
Loss allowance	$ 920	$ 2,083	$ 1,705	$ 2,346	$ 8,150	$ 15,204

	Not overdue	30 days or fewer overdue	31-90 days overdue	91-180 days overdue	More than 181 days overdue	Total
December 31, 2025						
Expected loss rate	0.05%~1.82%	11.84%-78.87%	37.90%~100%	91.82%~100%	100%	
Total carrying value	$ 816,946	$ 22,382	$ 4,085	$ 2,732	$ 6,344	$ 852,489
Loss allowance	$ 2,438	$ 2,935	$ 3,694	$ 2,732	$ 6,344	$ 18,143

	Not overdue	30 days overdue	31-90 days overdue	91-180 days overdue	More than 181 days overdue	Total
March 31, 2025						
Expected loss rate	0.03%-2.90%	2.54%-60.33%	47.20%-100%	78.67%-100%	100%	
Total carrying value	$ 1,079,964	$ 11,447	$ 2,237	$ 1,385	$ 2,196	$1,097,229
Loss allowance	$ 6,822	$ 2,802	$ 1,807	$ 1,378	$ 2,196	$ 15,005

h. The table about changes in the loss allowance for accounts receivable, for which the Group adopted the simplified approach, is as follows:

	2026	2025
January 1	$ 18,143	$ 14,097
Impairment losses set aside (reversed)	(3,235)	859
Effect of exchange rate	296	184
Transferred to receivables on demand	-	(135)
March 31	$ 15,204	$ 15,005

i. As of March 31, 2025, the Group's investments in debt instruments measured at amortized cost has increased significantly.

	2026
January 1(March 31)	$ 21,969

(C) Liquidity risk

a. Cash flow forecasting is carried out individually by each operating entity of the Group and the results are summarized by the Group's Finance Department. The Group's Finance Department monitors the forecasting of the Group's needs for current funds to ensure there are sufficient funds to meet the operating needs and maintains adequate unused committed lending facilities to prevent the Group from violating relevant lending limits or terms. Consideration is given to the Group's debt financing plans, compliance with debt terms, and achievement of internal target balance sheet financial ratios when making such forecasts.

b. The maturity analysis of the Group's non-derivative financial liabilities is based on the remaining period from the balance sheet date to the contractual maturity date. Except for accounts payable, notes payable, and other payables, for which the undiscounted contractual cash flows approximate their carrying amounts and are due within one year, the undiscounted contractual cash flows of the remaining financial liabilities are set out in the table below:

Non-derivative financial liabilities:

March 31, 2026	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Short-term loans	$ 651,200	$ -	$ -	$ -
Lease liabilities	82,428	55,882	80,442	46,262

Non-derivative financial liabilities:

December 31, 2025	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Short-term loans	$ 663,824	$ -	$ -	$ -
Lease liabilities	39,747	56,223	76,101	50,277

Non-derivative financial liabilities:

March 31, 2025	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Short-term loans	$ 771,564	$ -	$ -	$ -
Lease liabilities	40,010	55,138	77,737	72,308

c. According to maturity analysis, the Group does not expect the timing of cash flows to occur significantly early or the actual amount to be significantly different.

(3) Fair value information

A. The valuation technique levels adopted to measure the fair value of financial instruments and non-financial instruments are defined as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities accessible to an entity on the measurement date (unadjusted). Active markets are ones where asset or liability transactions take place with sufficient frequency and volume for pricing information to be provided on an ongoing basis. All the fair values of the Group's investments in listed/OTC stocks fall under Level 1.

Level 2: Inputs other than the quoted prices included in Level 1 that are directly or indirectly observable for the asset or liability. The Group's investments in bond instruments without active market fall under Level 2.

Level 3: Inputs that are unobservable to the asset or liability.

B. Please refer to the description in Note 6 (12) for information on the fair value of investment property measured at cost.

C. Financial instruments not measured at fair value

The carrying amounts of the Group's cash and cash equivalents, financial assets measured at amortized cost, notes and accounts receivable, other receivables, deposits paid for other non-current assets, notes and accounts payable, other payables, and deposits received are reasonable approximations of their fair values.

D. The Group classifies the financial and non-financial instruments measured at fair value based on the nature, characteristics and risks of the assets and liabilities as well as the levels of the fair values. The relevant information is shown below:

(A) The following is information on the Group's classification based on the nature of the assets and liabilities:

March 31, 2026	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets measured at fair value through profit or loss				
Equity securities	$850,840	$ -	$ 66,584	$ 917,424
Beneficiary certificates	111,438	-	-	111,438
Limited partnership	-	-	141,525	141,525
Financial assets measured at fair value through other comprehensive income				
Equity securities	-	-	19,527	19,527
	$962,278	$ -	$227,636	$1,189,914

December 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets measured at fair value through profit or loss				
Equity securities	$722,841	$ -	$ 63,328	$ 786,169
Beneficiary certificates	139,692	-	-	139,692
Limited partnership	-	-	133,659	133,659
Financial assets measured at fair value through other comprehensive income				
Equity securities	-	-	20,109	20,109
	$862,533	$ -	$217,096	$1,079,629

March 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets measured at fair value through profit or loss				
Equity securities	$ 463,271	$ -	$ 55,676	$ 518,947
Beneficiary certificates	414,942	-	-	414,942
Limited partnership	-	-	90,750	90,750
Financial assets measured at fair value through other comprehensive income				
Equity securities	-	-	47,659	47,659
	$ 878,213	$ -	$ 194,085	$ 1,072,298

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

a. The quoted market price used by the Group as a fair value input (i.e. Level 1 input) is listed based on the characteristics of the instruments in the following:

	Listed (OTC) stocks	Open-end funds
Quoted market price	Closing price	Net value

b. The fair value of all financial instruments, except for the aforementioned financial instruments with active markets, is acquired using a valuation technique or with reference to the quotation of the counterparty. For fair values acquired using a valuation technique, the current fair value of other financial instruments with substantially similar conditions and characteristics, the cash flow discounting method, and other valuation techniques may be used as a reference, including the market information application model acquirable on the consolidated balance sheet date (e.g. TPEx yield curve, Reuters average interest rate quote for commercial paper).

c. An approximation generated using a valuation model is an estimate, and the valuation technique may not be able to reflect all factors associated with the Group's financial and non-financial instruments. Therefore, estimates made using the valuation model are adjusted properly based on additional parameters, such as model risk or liquidity risk. According to the Group's fair value valuation model management policy and relevant control procedures, the management believes that valuation adjustments are appropriate and necessary for fair presentation of the fair value of financial and non-financial instruments in the consolidated balance sheet. Price information and parameters used in the valuation process are carefully assessed and adjusted based on the current market situation appropriately.

E. There were no transfers between Level 1 and Level 2 in the three months ended March 31, 2026 and 2025.

F. Movements in Level 3 equity instruments in the three months ended March 31, 2026 and 2025 are listed in the following table:

	2026	2025
January 1	$ 217,096	$ 184,284
Profits recognized as profit or loss	3,390	(944)
Purchase in the current period	-	16,485
Reclassified from other non-current assets	7,500	
Unrealized valuation profit or loss of investments in equity instruments measured at fair value through other comprehensive income, recognized as profits or losses of other comprehensive income	(582)	(4,405)
Effect of exchange rate	232	(1,335)
March 31	$ 227,636	$ 194,085

G. There was no transfer-in/transfer-out to/from Level 3 in the three months ended March 31, 2026 and 2025.

H. The Group’s Finance Department is responsible for independent fair value verification for financial instruments in the process of valuation of Level 3 fair values to make valuation results close to the market situation based on information from independent sources and make sure that the information sources are independent, reliable and consistent with other resources and reflect executable prices. The Group also regularly adjusts the valuation model, conducts retrospective testing, updates inputs and data required for the valuation model, and makes any other necessary fair value adjustment to ensure reasonable valuation results.

I. The quantitative significant unobservable inputs of the valuation model used for Level 3 fair value measurements are analyzed and described as follows:

	Fair value on March 31, 2026	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between the input and the fair value
Non-derivative equity instruments:					
Non-listed/non-OTC stocks	$ 80,111	Comparable public company method	PB multiplier, discount for lack of marketability.	22.5%~25%	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Non-listed/non-OTC stocks	6,000	Most recent transaction price in an inactive market	N/A	N/A	N/A
Limited partnership	141,525	Net asset value method	N/A	N/A	N/A

	Fair value on December 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between the input and the fair value
Non-derivative equity instruments:					
Non-listed/non-OTC stocks	$ 77,437	Comparable public company method	PB multiplier, discount for lack of marketability.	22.5%~25%	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Non-listed/non-OTC stocks	6,000	Most recent transaction price in an inactive market	N/A	N/A	N/A
Limited partnership	133,659	Net asset value method	N/A	N/A	N/A

	Fair value on March 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between the input and the fair value
Non-derivative equity instruments:		Non-derivative equity instruments:			
Non-listed/non-OTC stocks	$ 83,209	Comparable public company method	PB multiplier, discount for lack of marketability.	22.5%~25%	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Non-listed/non-OTC stocks	20,126	Most recent transaction price in an inactive market	N/A	N/A	N/A
Limited partnership	90,750	Net asset value method	N/A	N/A	N/A

J. The Group selects the valuation model and parameters based on careful assessment. However, the adoption of different valuation models or parameters may lead to different valuation results. The effect of changes in the valuation parameters of Level 3 financial assets on the profit or loss in the current period or other comprehensive income is as follows:

			March 31, 2026			
			Recognized as profit or loss		Recognized as other comprehensive income	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity instruments	Liquidity	±5%	$ 3,131	$ 3,131	$ 1,232	$ 1,232

			December 31, 2025			
			Recognized as profit or loss		Recognized as other comprehensive income	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity instruments	Liquidity	±5%	$ 2,863	$ 2,863	$ 1,284	$ 1,284

			March 31, 2025			
			Recognized as profit or loss		Recognized as other comprehensive income	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity instruments	Liquidity	±5%	$ 2,586	$ 2,586	$ 1,795	$ 1,795

13. <u>Note disclosures</u>

(1) <u>Information of material transactions</u>

A. Loaning of funds to others: Please refer to Table 1.

B. Making of endorsements/guarantees for others: Please refer to Table 2.

C. Securities held at end of period (excluding equity of investments in subsidiaries, associates and joint ventures): Please refer to Table 3.

D. Purchases and sales with related parties amounting to NT$100 million or more than 20% of the paid-in capital: Please refer to Table 4.

E. Accounts receivable from related parties amounting to NT$100 million or more than 20% of the paid-in capital: Please refer to Table 5.

F. Business relationship and important transactions between the parent company and subsidiaries: Please refer to Table 6.

(2) <u>Information of investee companies</u>

Information related to investee companies (excluding those in Mainland China), their place of registration, etc.: Please refer to Table 7.

(3) <u>Information of investments in Mainland China</u>

A. Basic information: Please refer to Table 8.

B. Material matters occurring directly or indirectly through businesses in a third area and investee companies in Mainland China: Please refer to the description in Tables 4, 5, 6.

14. <u>Operating segment information</u>

(1) <u>General information</u>

A. The management of the Group has identified the reportable segments according to the reported information that the operating decision maker uses to formulate policies.

B. The operating decision maker of the Group operates and manages the business by product business groups.

(2) Information on segment profits or losses, assets and liabilities

Information on the reportable segments provided to the chief operating decision maker is as follows:

January 1 to March 31, 2026	Electromechanical Business Group	Intelligent Business Group	Optoelectronic manufacturing industry	Electronic channel industry	Others	Adjustment and write-off	Consolidated
External income	$ 241,629	$ 303,198	$ 221,216	$ 113,717	$ 10,306	$ -	$ 890,066
Internal segment income	32,874	88	12,566	-	-	(45,528)	-
Segment income	$ 274,503	$ 303,286	$ 233,782	$ 113,717	$ 10,306	($ 45,528)	$ 890,066
After-tax segment profit (loss)	($ 15,504)	($ 26,425)	$ 49,462	$ 4,317	$ 207,793	($ 76,711)	$ 142,932
Depreciation and amortization	$ 3,303	$ 4,614	$ 9,923	$ 213	$ 5,665	($ 2,511)	$ 21,207
Loss from investments accounted for using the equity method	$ -	$ -	$ -	$ -	$ 252	$ -	$ 252

January 1 to March 31, 2025	Electromechanical Business Group	Intelligent Business Group	Optoelectronic manufacturing industry	Electronic channel industry	Others	Adjustment and write-off	Consolidated
External income	$ 561,213	$ 304,580	$ 232,553	$ 100,448	$ 17,215	$ -	$ 1,216,009
Internal segment income	61,974	654	6,891	-	-	(69,519)	-
Segment income	$ 623,187	$ 305,234	$ 239,444	$ 100,448	$ 17,215	($ 69,519)	$ 1,216,009
After-tax segment profit (loss)	$ 16,075	($ 13,993)	$ 1,869	$ 6,179	($ 54,841)	$ 57,824	$ 13,113
Depreciation and amortization	$ 3,127	$ 3,976	$ 9,974	$ 256	$ 4,664	($ 2,545)	$ 19,452
Loss from investments accounted for using the equity method	$ -	$ -	$ -	$ -	$ 309)	$ -	$ 309

SOLOMON Technology Corporation and Subsidiaries
Loaning of Funds to Others
January 1 to March 31, 2026

Table 1

Unit: NT$ Thousand
(Unless otherwise specified)

No. (Note 1)	Lending company	Borrowing company	Current account	Related party	Maximum amount in the current period	Closing balance	Actual drawdown amount	Range of interest rates	Nature of loaning of funds (Note 4)	Business transaction amount	Reasons for the need of short-term financing	Allowance set aside for bad debts	Collateral		Limit on loans to individual borrowers (Note 2)	Limit on total loans (Note 3)	Remarks
													Name	Value			
1	Moredel Investment	Solomon Energy	Other receivables	Y	$ 18,000	$ 18,000	$ 18,000	2%	2	$ -	Working capital	$ -	-	-	$ 262,484	$ 524,967	
1	Moredel Investment	Solomon Energy (Singapore)	Other receivables	Y	$ 12,425	$ 12,425	$ 12,400	3%	2	-	Working capital	-	-	-	$ 262,484	$ 524,967	
2	Solomon Smartnet	Solomon Energy	Other receivables	Y	10,000	10,000	10,000	2%	2	-	Working capital	-	-	-	192,497	384,994	
3	Yumon International	Solomon Shenzhen	Other receivables	Y	4,629	4,629	4,629	0.5%	2	-	Working capital				96,297	192,594	
4	Solomon Goldentek Display	Solomon Energy	Other receivables	Y	110,000	110,000	110,000	2.2%	2	-	Working capital	-	-	-	744,365	1,488,730	
5	Dong Guan Goldentek	Solomon Shenzhen	Other receivables	Y	4,496			3%	2		Working capital				274,871	274,871	

Note 1: Number column description:
(1) "0" is reserved for the issuer.
(2) Each investee company is numbered in sequential order starting from 1.

Note 2: According to the Group's lending procedure, the amount of loans to a single enterprise with short-term financing needs is limited to 40% of the lending company's net worth (for Dong Guan Goldentek, the amount of total loans is limited to 80% of its net worth). The amount of loans to companies having business dealings with the lending company is limited to the higher of the amount of purchases or sales between both parties.

Note 3: According to the Group's lending procedure, the amount of total loans given includes funds for business dealings and short-term financing, and is limited to 80% of the net worth of the lending company.

Note 4: The nature of loaning of funds is described as follows:
(1) Business relationships: 1.
(2) Needs for short-term financing: 2.

SOLOMON Technology Corporation and Subsidiaries
Endorsements/Guarantees for Others
January 1 to March 31, 2026

Table 2

Unit: NT$ Thousand
(Unless otherwise specified)

No. (Note 1)	Endorser/guarantor	Endorsee/guarantee		Limit on endorsements/guarantees to a single enterprise (Note 3)	Maximum endorsement/guarantee balance in the current period	Closing endorsement/guarantee balance	Actual drawdown amount	Endorsement/guarantee amount secured with property	Cumulative endorsement/guarantee amount as a percentage of the net worth in the most recent financial statements	Maximum limit on endorsements/guarantees (Note 3)	Endorsements/guarantees made by the parent company for subsidiaries	Endorsements/guarantees made by subsidiaries for the parent company	Endorsements/guarantees made for the operations in Mainland China	Remarks
		Company name	Relationship (Note 2)											
0	SOLOMON	Solomon Energy	2	$ 1,149,648	$ 854,900	$ 854,900	$ 106,866	$ -	14.87	$ 2,874,121	Y	N	N	

Note 1: Number column description:
(1) "0" is reserved for the issuer.
(2) Each investee company is numbered in sequential order starting from 1.

Note 2: The relationship between the endorser/guarantor and the endorsee/guarantee is classified into six categories as follows. It is only necessary to mark the type:
(1) Companies with business relationships.
(2) Subsidiaries in which the Company holds more than 50% of the common stock equity.
(3) Investee companies in which the parent company and its subsidiaries hold more than 50% of the common stock equity, calculated on a consolidated basis.
(4) The parent company, directly or indirectly through a subsidiary, holding more than 50% of the common stock equity of the Company.
(5) Companies in the same industry that are required to provide mutual guarantee pursuant to contracts for undertaking engineering projects.
(6) Companies receiving endorsements/guarantees from the shareholders proportionally to their shareholding due to a joint venture relationship.

Note 3: According to the Company's endorsement/guarantee procedure, the amount of the Company's total endorsements/guarantees is limited to 50% of the net worth of the Company and the amount of endorsements/guarantees made to the same company shall not exceed 20% of the guarantor's net worth.

SOLOMON Technology Corporation and Subsidiaries
Securities Held at End of Period (Excluding Equity of Investments in Subsidiaries, Associates and Joint Ventures)
March 31, 2026

Table 3

Unit: NT$ Thousand
(Unless otherwise specified)

Holding company	Type and name of securities	Relationship with the securities issuer	Account	End of period: Number of shares (in thousands)	End of period: Carrying amount	End of period: Shareholding percentage	End of period: Fair value	Remarks
SOLOMON	Hua Nan Phoenix Money Market Fund	None	Financial assets measured at fair value through profit or loss – current	4,064	$ 70,000	-	$ 70,000	Note 1
	Evergreen	〃	Financial assets measured at fair value through profit or loss – current	84	16,758	-	16,758	〃
	Unimicron	〃	Financial assets measured at fair value through profit or loss – current	101	44,844	0.01%	44,844	〃
	CHENFENG OPTRONICS	〃	Financial assets measured at fair value through profit or loss – non-current	1,500	10,204	1.49%	10,204	〃
	Truewin Technology	〃	Financial assets measured at fair value through profit or loss – non-current	296	23,385	0.46%	23,385	〃
	GAP Total Return Fund I Limited Partnership	〃	Financial assets measured at fair value through profit or loss – non-current	-	77,324	-	77,324	〃
	Lion Best Global Limited-Tranche A Notes	〃	Financial assets measured at amortized cost – current	-	630,136	-	630,136	〃
	Lion Best Global Limited-Tranche B Notes	〃	Financial assets measured at amortized cost – current	-	472,602	-	472,602	〃
Moredel Investment	SOLOMON	Parent company of the Company	Financial assets measured at fair value through profit or loss – current	100	6,042	0.06%	10,796	Note 1、2
	Hwa Fong	None	Financial assets measured at fair value through profit or loss – current	1,185	17,354	-	17,354	Note 1
	Quanta	〃	Financial assets measured at fair value through profit or loss – current	45	12,533	-	12,533	〃
	TSMC	〃	Financial assets measured at fair value through profit or loss – current	91	160,160	-	160,160	
	Macronix		Financial assets measured at fair value through profit or loss – current	56	6,468	-	6,468	〃
	Phison		Financial assets measured at fair value through profit or loss – current	5	7,500	0.01%	7,500	〃
	KINSUS		Financial assets measured at fair value through profit or loss – current	64	20,032	-	20,032	
	ADATA		Financial assets measured at fair value through profit or loss – current	45	15,075	-	15,075	〃
	UNIMICRON		Financial assets measured at fair value through profit or loss – current	35	15,558	-	15,558	〃
	WPG		Financial assets measured at fair value through profit or loss – current	350	30,800	-	30,800	〃
	Integrated Solutions Technology	〃	Financial assets measured at fair value through profit or loss – non-current	1,453	53,895	3.81%	53,895	〃
	J-MEX Inc.		Financial assets measured at fair value through profit or loss – non-current	200	6,000	0.44%	6,000	
Solomon Cayman	Capital Investment Development Corp	〃	Financial assets measured at fair value through profit or loss – non-current	270	13,614	0.89%	13,614	〃

SOLOMON Technology Corporation and Subsidiaries
Securities Held at End of Period (Excluding Equity of Investments in Subsidiaries, Associates and Joint Ventures)
March 31, 2026

Table 3

Unit: NT$ Thousand
(Unless otherwise specified)

Holding company	Type and name of securities	Relationship with the securities issuer	Account	End of period				Remarks
				Number of shares	Carrying amount	Shareholding percentage	Fair value	
Solomon Data International	Hua Nan Phoenix Money Market Fund	〃	Financial assets measured at fair value through profit or loss – current	2,376	41,033	-	41,033	Note1
	Truewin Technology Co., Ltd.	〃	Financial assets measured at fair value through profit or loss – non-current	148	11,693	0.23%	11,693	〃
	Cerulean Asset Management Venture Capital Limited Partnership	〃	Financial assets measured at fair value through profit or loss – non-current	-	5,659	-	5,659	〃
	AggrEnergy Inc.	〃	Financial assets measured at fair value through other comprehensive income – non-current	110,132	15,418	16.46%	15,418	〃
Solomon Goldentek Display	Unimicron	〃	Financial assets measured at fair value through profit or loss – current	71	$ 31, 572	–	$ 31, 572	〃
	TSMC	〃	Financial assets measured at fair value through profit or loss – current	76	133, 760	_	133, 760	〃
	Macronix		Financial assets measured at fair value through profit or loss – curren	58	6, 699	_	6, 699	〃
	Phison		Financial assets measured at fair value through profit or loss – curren	8	12, 000	_	12, 000	〃
	Winbond		Financial assets measured at fair value through profit or loss – curren	80	7, 216	_	7, 216	〃
	KINSUS		Financial assets measured at fair value through profit or loss – curren	29	9, 077	_	9, 077	〃
	Meng-Lue Venture Capital Limited Partnership	〃	Financial assets measured at fair value through profit or loss – non-current	–	8, 906	–	8, 906	〃
	Cerulean Asset Management Venture Capital Limited Partnership	〃	Financial assets measured at fair value through profit or loss – non-current	_	8, 365	_	8, 365	〃
	GAP Total Return Fund I Limited Partnership	〃	Financial assets measured at fair value through profit or loss – non-current	–	32, 729	–	32, 729	〃
	Lion Best Global Limited-Tranche B Notes	〃	Financial assets measured at amortized cost – current	–	315, 068	–	315, 068	〃
Solomon Smartnet	Quanta	〃	Financial assets measured at fair value through profit or loss – current	69	19,217	-	19,217	〃
	TSMC	〃	Financial assets measured at fair value through profit or loss – current	93	164,655	-	164,655	〃
	ADATA		Financial assets measured at fair value through profit or loss – curren	40	13,400	-	13,400	〃
Cornucopia Innovation	Weltrend	〃	Financial assets measured at fair value through profit or loss – current	220	12,914	0.12%	12,914	〃

Note 1: Not pledged.
Note 2: Stated as the Company’s treasury stock. Please refer to Note 6 (18) for details.
Note 3: The securities with a carrying value of NT$5,000 are listed by the Group in accordance with the principle of materiality.

SOLOMON Technology Corporation and Subsidiaries
Purchases and Sales with Related Parties Amounting to NT$100 Million or More Than 20% of the Paid-in Capital
January 1 to March 31, 2026

Table 4

Unit: NT$ Thousand
(Unless otherwise specified)

Purchasing (selling) company	Name of counterparty	Relationship	Transaction				Differences of transaction terms from those of regular transactions and reasons for such differences		Notes/accounts receivable (payable)		Remarks
			Purchase (sale)	Amount	Percentage in total purchases (sales)	Loan period	Unit price	Loan period	Balance	Percentage in total accounts/notes receivable (payable)	
Solomon Goldentek Display	Dong Guan Goldentek	Parent-subsidiary	Purchase	133,187	21	Note	Note	Note	(169,089)	(75)	
Dong Guan Goldentek	Solomon Goldentek Display	Parent-subsidiary	(Sale)	(133,187)	(90)	Note	Note	Note	169,089	93	

Note: The unit price was negotiated by both parties. The payment was made based on the funding status after being offset against the payment receivable for entrusted procurement. The payment term for regular suppliers ranges from about 60 to 90 days.

SOLOMON Technology Corporation and Subsidiaries
Accounts Receivable from Related Parties Amounting to NT$100 Million or More Than 20% of the Paid-in Capital
March 31, 2026

Table 5

Unit: NT$ Thousand
(Unless otherwise specified)

Company from which payments accounted for are receivable	Name of counterparty	Relationship	Balance of payments receivable from the related party	Turnover	Overdue payments receivable from the related party		Subsequently recovered amount of payments receivable from the related party (Note)	Allowance set aside for bad debts
					Amount	Treatment		
Dong Guan Goldentek	Solomon Goldentek Display	Parent-subsidiary	$ 169,089	2.66	$ -	-	$ -	$ -

Note: The information is as of April 30, 2026.

SOLOMON Technology Corporation and Subsidiaries
Business Relationship and Important Transactions between the Parent Company and Subsidiaries
January 1 to March 31, 2026

Table 6

Unit: NT$ Thousand
(Unless otherwise specified)

No. (Note 5)	Name of transacting party	Counterparty	Relationship with transacting party (Note 6)	Transaction			
				Account	Amount	Transaction terms	As a percentage of total consolidated operating income or assets (Note 7)
0	SOLOMON	Yumon International	1	Sale	$ 30,415	Note 1	3.4%
1	Solomon Goldentek Display	Dong Guan Goldentek	1	Purchase	133,187	Note 2	15.0%
1	Solomon Goldentek Display	Dong Guan Goldentek	1	Accounts payable	169,089	Note 2	1.6%
2	Moredel Investment	Solomon Energy	3	Other receivables	18,000	Note 3	0.2%
2	Moredel Investment	Solomon Energy (Singapore)	3	Other receivables	11,665	Note 3	0.1%

Note 1: After the payments receivable and payable were offset against each other, the payments were collected based on the funding status. The payment term for regular customers ranges from about 90-120 days.

Note 2: The payment term was 90-180 days after the payments receivable and payable were offset against each other.

Note 3: Loaning of funds. Please refer to Table 1.

Note 4: The business transactions between the parent company and its subsidiaries shall be indicated in the "No." column. This column shall be completed as follows:
(1) 0 is reserved for the parent company.
(2) Each subsidiary is numbered in sequential order starting from 1.

Note 5: The relationship with the transacting party is classified into the following three categories. It is only necessary to mark the category. (It is not necessary to disclose the same transaction between the parent company and its subsidiaries or between the subsidiaries repeatedly. For example, if the parent company has disclosed a transaction with one of its subsidiaries, it is not required for the subsidiary to disclose the transaction again. If a subsidiary has disclosed a transaction with another subsidiary, it is not required for the latter to disclose the transaction again):
(1) Parent to subsidiary.
(2) Subsidiary to parent.
(3) Subsidiary to subsidiary.

Note 6: For asset or liability accounts, the transaction amount as a percentage of total consolidated operating income or assets shall be calculated as the closing balance as a share of the total consolidated assets; for profit or loss accounts, the percentage shall be calculated as the accumulated amount as a share of the total consolidated operating income.

Note 7: Transactions over $10,000 shall be disclosed.

SOLOMON Technology Corporation and Subsidiaries
Information Related to Investee Companies (Excluding Those in Mainland China), Their Place of Registration, etc.
January 1 to March 31, 2026

Table 7

Unit: NT$ Thousand
(Unless otherwise specified)

Name of investor company	Name of investee company	Place of registration	Principal business	Initial investment amount		Holding percentage			Profit or loss of investee company in the current period	Investment gain or loss recognized in the current period	Remarks
				End of current period	End of previous year	Number of shares	at end of period	Carrying amount			
SOLOMON	Solomon Cayman	Cayman Islands	Investment holding	$ 264,367	$ 264,367	7,232,836	100.00	$ 268,669	($ 5,274)	($ 5,274)	Note 1
SOLOMON	Solomon Smartnet	Taiwan	IC CARD	200,000	200,000	20,000,000	100.00	462,571	33,846	33,846	Note 1
SOLOMON	Solomon Goldentek Display	Taiwan	Manufacturing of LCDs	1,359,694	1,359,694	42,871,029	70.77	1,268,858	46,648	33,011	Note 1
SOLOMON	Moredel Investment	Taiwan	Professional investment	457,384	457,384	28,460,900	100.00	637,758	18,408	20,215	Note 1
SOLOMON	Solomon Wireless Technology	Taiwan	Communication products	599,665	599,665	96,407	96.41	16	-	-	Note 1
SOLOMON	Solomon Data International	Taiwan	Manufacturing of LCD panels	46,058	46,058	4,972,676	24.04	112,551	5,679	1,363	Note 1
SOLOMON	Total Profit	Samoa	Investment holding	13,859	13,859	3,088,700	100.00	(414)	(753)	(753)	Note 1
SOLOMON	Cornucopia Innovation	Taiwan	Manufacturing of machines/equipment and electronic parts and components	65,000	65,000	6,100,000	35.06	40,462	2,223	779	Note 1
SOLOMON	Solomon Science Technology(VN)	Vietnam	Supply and sale of intelligence technology	40,042	40,042	-	100.00	3,922	(1,856)	(1,856)	Note 1
SOLOMON	Solomon Technology (USA)	United States	Supply and sale of intelligence technology	119,752	94,172	70,000	100.00	23,093	(4,151)	(4,151)	Note 1
SOLOMON	Solomon Technology (Japan) Ltd.	Japan	Supply and sale of intelligence technology	4,844	4,844	2,200	100.00	1,503	(402)	(402)	Note 1
SOLOMON	Solomon Technology (Malaysia) Ltd.	Malaysia	Supply and sale of intelligence technology	7,356	-	1,000,000	100.00	7,174	(481)	(481)	
SOLOMON	Solomon Energy	Taiwan	Import and export of electrical power-related products	220,000	220,000	22,000,000	100.00	95,668	(8,305)	(8,305)	Note 1
SOLOMON	Sheng-Peng Technology	Taiwan	Import and export of electrical power-related products	-	5,100	-	0.00	-	-	-	Note 1, 5
Moredel Investment	Solomon Data international	Taiwan	Manufacturing of LCD panels	28,100	28,100	2,591,740	12.53	56,118	5,679	-	Notes 1, 4
Moredel Investment	Solomon Goldentek Display	Taiwan	Manufacturing of LCDs	62,233	62,233	5,610,000	9.26	168,984	(3,229)	-	Notes 1, 4
Solomon Smartnet	Solomon Data International	Taiwan	Manufacturing of LCD panels	27,176	27,176	3,071,117	14.84	65,546	5,679	-	Notes 1, 4
Solomon Smartnet	Solomon Goldentek Display	Taiwan	Manufacturing of LCDs	62,233	62,233	5,610,000	9.26	168,984	46,648	-	Notes 1, 4
Solomon Cayman	Soundtek Ltd.	Seychelles	Professional investment	23,764	23,764	-	30.00	-	-	-	Note 4
Solomon Cayman	Goldentek Display System (BVI) Co., Ltd.	British Virgin Islands	Investment holding	305	305	43,706	0.39	1,340	(2,873)	-	Notes 2, 4
Solomon Energy	Solomon Energy Technology (Singapore) PTE.LTD	Singapore	Self-usage renewable energy generation equipment	21,835	21,835	1,000,000	100.00	(20,871)	(2,751)	-	Notes 2, 4
Solomon Data International	Cornucopia Innovation	Taiwan	Manufacturing of machines/equipment and electronic parts and components	25,300	25,300	2,300,000	13.22	20,032	2,223	-	Notes 1, 4
Solomon Data International	Ju Xin Energy	Taiwan	Energy technology service	36,000	36,000	3,600,000	4.80	34,691	(5,262)	-	Notes 3, 4
Solomon Goldentek Display Corp.	Goldentek Display System (BVI) Co., Ltd.	British Virgin Islands	Investment holding	375,426	375,426	11,162,996	99.61	342,312	(2,873)	-	Notes 2, 4
Solomon Goldentek Display Corp.	Solomon Goldentek Display (Hong Kong) Corp.	Hong Kong	Entrepot trade	2,175	2,175	499,999	100.00	38	(3)	-	Notes 2, 4
Solomon Goldentek Display Corp.	Cornucopia Innovation Corporation	Taiwan	Manufacturing of machines/equipment and electronic parts and components	4,500	4,500	360,000	2.07	2,522	2,223	-	Notes 1, 4
Solomon Goldentek Display Corp.	SOLOMON GOLDENTEK DISPLAY (PHILIPPINES) CORP.	Philippines	Manufacturing and sales of liquid crystal displays (LCDs) and modules	106,257	84,484	10,000,000	100	103,476	(249)	-	Notes 2, 4

Note 1: A subsidiary.
Note 2: A sub-subsidiary.
Note 3: An associate.
Note 4: The investee company’s profit or loss in the current period was recognized as that of the ultimate parent company.
Note 5: The liquidation of Sheng-Peng Technology was completed in January 2026.

SOLOMON Technology Corporation and Subsidiaries
Information of Investments in Mainland China – Basic Information
January 1 to March 31, 2026

Table 8

Unit: NT$ Thousand
(Unless otherwise specified)

Name of investee company in Mainland China	Principal business	Paid-in capital	Method of investment (Note 1)	Accumulated amount of investments remitted from Taiwan at beginning of current period	Amount of investments remitted or recovered in the current period		Accumulated amount of investments remitted from Taiwan at end of current period	Profit or loss of investee company in the current period	The Company's shareholding in direct or indirect investments	Investment gain or loss recognized in the current period	Carrying amount of investments at end of period	Investment gain received as of the current period	Remarks
					Remitted	Recovered							
Solomon Goldentek Display (Dong Guan) Ltd.	Production and sale of new types of LCDs and modules	$ 161,760	1	$ 104,891	$ -	$ -	$ 104,891	($ 2,876)	99.61	($ 2,864)	$ 342,249	$ 128,164	Note 3
Solomon Shenzhen	International trade	12,243	1	11,547	-	-	11,547	(753)	100.00	(753)	(426)	-	
Yumon International	International trade	217,566	1	65,956	-	-	65,956	(4,246)	100.00	(4,246)	240,743	-	Note 2.3
Zhuhai Wan Jia	Manufacturing and sale of magnetic materials	63,990	1	4,497	-	-	4,497	-	7.65	-	-	-	

Note 1: Investment methods are classified into the following two categories. It is only necessary to mark the category:
(1) Investment in Mainland China companies through an investee company established in a third area.
(2) Investment in Mainland China companies by investing in an existing company in a third area.
(3) Investment in Mainland China companies through an existing investee company established in Mainland China.

Note 2: Solomon Cayman, a 100% owned subsidiary of the Company, increased the capital of Yumon International with US$800 thousand and US$3,000 thousand from its own funds in 2011 and 2013, respectively.

Note 3: Recognized as investment gain or loss based on the financial statements for the same period reviewed by the parent company's CPA.

Company name	Accumulated amount of investments remitted from Taiwan to Mainland China at end of current period	Amount of investments approved by the Investment Commission, MOEA	Limit on the amount of investments in Mainland China set by the Investment Commission, MOEA
SOLOMON Technology Corporation	$ 614,867	$ 912,070	$ 3,741,750

Note: Dong Guan Goldentek is an investment of Solomon Goldentek Display in Mainland China, which has been reported. The listed figure includes the information of Dong Guan Goldentek.