Stock Code: 6913

# VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES

## Consolidated Financial Statements and Independent Auditors' Review Report

## JUNE 30, 2026 AND 2025

Address: 7F., No. 880, Zhongzheng Rd., Zhonghe Dist., New Taipei City, Taiwan, R.O.C.
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# INDEPENDENT AUDITORS' REVIEW REPORT

To the Board of Directors and Shareholders of VSO ELECTRONICS CO., LTD.

**Preface**

We have reviewed the accompanying consolidated balance sheet of VSO ELECTRONICS CO., LTD. and its subsidiaries as of June 30, 2026, the related consolidated statement of comprehensive income for the periods from April 1 to June 30 and from January 1 to June 30, 2026, the related consolidated statements of changes in equity and cash flows for the period from January 1 to June 30, 2026, and the notes to the consolidated financial statements (including a summary of significant accounting policies). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34, "Interim Financial Reporting," as endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

**Scope**

We conducted our review in accordance with Statement of Auditing Standards No. 2410, "Review of Financial Statements." A review of consolidated financial statements consists principally of inquiries of persons responsible for financial and accounting matters, analytical procedures and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of VSO ELECTRONICS CO., LTD. and its subsidiaries as of June 30, 2026, and their consolidated financial performance for the periods from April 1 to June 30 and from January 1 to June 30, 2026, and their consolidated cash flows for the period from January 1 to June 30, 2026, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34, "Interim Financial Reporting," as endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

**Other Matter**

The consolidated financial statements of VSO ELECTRONICS CO., LTD. and its subsidiaries for the second quarter of 2025 were reviewed by other auditors, who expressed a qualified conclusion in their review report dated August 11, 2025.

Liu, Jung Chin
Hsieh, Sheng-An
For and on behalf of Ernst & Young, Taiwan
August 11, 2026

## Notice to Readers

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

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

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

# VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES

## Consolidated Balance Sheet

June 30, 2026, December 31, 2025, and June 30, 2025

Unit: NT$ thousand

| Assets | | | June 30, 2026 | | December 31, 2025 | | June 30, 2025 | |
|---|---|---|---|---|---|---|---|---|
| Code | Accounting Item | Notes | Amount | % | Amount | % | Amount | % |
| | Current assets | | | | | | | |
| 1100 | Cash and cash equivalents | 6(1) | $372,979 | 10 | $348,704 | 12 | $340,982 | 14 |
| 1110 | Financial assets at fair value through profit or loss-current | 6(2) | 5,171 | - | 5,133 | - | 5,095 | - |
| 1136 | Financial assets measured at amortized cost-current | 6(3) | 798,467 | 21 | 378,443 | 13 | 295,415 | 12 |
| 1150 | Notes receivable, net | 6(4) | 14,504 | 1 | 8,707 | - | 2,428 | - |
| 1170 | Accounts receivable, net | 6(4) | 984,481 | 26 | 890,080 | 31 | 790,570 | 31 |
| 1180 | Accounts receivable-related parties | 6(4) and 7 | 52,767 | 2 | 37,540 | 1 | 50,061 | 2 |
| 1200 | Other receivables | | 10,006 | - | 1,292 | - | 2,485 | - |
| 1220 | Current income tax assets | | 1,497 | - | 1,401 | - | 2,199 | - |
| 130x | Inventories | 6(5) | 403,932 | 11 | 291,184 | 10 | 255,287 | 10 |
| 1470 | Other current assets | | 84,949 | 2 | 19,934 | 1 | 25,732 | 1 |
| 11xx | Total current assets | | 2,728,753 | 73 | 1,982,418 | 68 | 1,770,254 | 70 |
| | Non-current assets | | | | | | | |
| 1510 | Financial assets at fair value through profit or loss-non-current | 6(2) | 11,588 | - | - | - | - | - |
| 1550 | Investments accounted for using the equity method | 6(6) | 53,564 | 1 | 50,019 | 2 | 44,167 | 2 |
| 1600 | Property, plant and equipment | 6(7) and 8 | 806,823 | 22 | 718,521 | 25 | 543,994 | 21 |
| 1755 | Right-of-use assets | 8 | 101,489 | 3 | 104,388 | 4 | 95,358 | 4 |
| 1780 | Intangible assets | | 22,572 | 1 | 25,961 | 1 | 17,858 | 1 |
| 1840 | Deferred income tax assets | | 13,040 | - | 11,757 | - | 16,896 | 1 |
| 1900 | Other non-current assets | | 17,466 | - | 13,596 | - | 32,619 | 1 |
| 15xx | Total non-current assets | | 1,026,542 | 27 | 924,242 | 32 | 750,892 | 30 |
| 1xxx | Total assets | | $3,755,295 | 100 | $2,906,660 | 100 | $2,521,146 | 100 |
| | Current liabilities | | | | | | | |
| 2100 | Short-term borrowings | 6(8) | $154,287 | 4 | $228,778 | 8 | $192,749 | 8 |
| 2120 | Financial liabilities at fair value through profit or loss-current | 6(2) | 40 | - | 1,904 | - | - | - |
| 2130 | Contract liabilities-current | 6(12) | 13,871 | - | 913 | - | 1,966 | - |
| 2170 | Accounts payable | 6(9) | 520,819 | 14 | 419,617 | 15 | 324,069 | 13 |
| 2180 | Accounts payable-related parties | | 103 | - | 123 | - | 203 | - |
| 2200 | Other payables | 6(9) | 429,134 | 12 | 335,942 | 12 | 350,031 | 14 |
| 2220 | Other payables-related parties | 7 | 89 | - | 355 | - | 1,584 | - |
| 2230 | Current income tax liabilities | | 49,652 | 1 | 34,770 | 1 | 32,403 | 1 |
| 2250 | Provisions-current | | 6,972 | - | 2,956 | - | 2,733 | - |
| 2280 | Lease liabilities-current | | 9,890 | - | 9,339 | - | 5,808 | - |
| 2300 | Other current liabilities | | 7,707 | - | 10,239 | - | 5,178 | - |
| 21xx | Total current liabilities | | 1,192,564 | 31 | 1,044,936 | 36 | 916,724 | 36 |
| | Non-current liabilities | | | | | | | |
| 2500 | Financial liabilities at fair value through profit or loss-non-current | 6(2) | 3,101 | - | - | - | - | - |
| 2530 | Bonds payable | 6(10) | 400,827 | 11 | - | - | - | - |
| 2540 | Long-term borrowings | 6(8) | 237,339 | 7 | 124,294 | 4 | 58,446 | 3 |
| 2570 | Deferred income tax liabilities | | 86,852 | 2 | 78,248 | 3 | 73,481 | 3 |
| 2580 | Lease liabilities-non-current | | 3,897 | - | 7,385 | - | 6,400 | - |
| 2600 | Other non-current liabilities | | 702 | - | 964 | - | 550 | - |
| 25xx | Total non-current liabilities | | 732,718 | 20 | 210,891 | 7 | 138,877 | 6 |
| 2xxx | Total liabilities | | 1,925,282 | 51 | 1,255,827 | 43 | 1,055,601 | 42 |
| | Equity attributable to owners of the parent | | | | | | | |
| 3100 | Share capital-common stock | 6(11) | 438,488 | 12 | 438,488 | 15 | 417,165 | 17 |
| 3140 | Advance receipts for share capital | | - | - | - | - | 1,395 | - |
| 3150 | Stock dividends to be distributed | | - | - | - | - | 20,858 | 1 |
| 3200 | Capital surplus | 6(11) | 663,519 | 18 | 569,554 | 20 | 566,268 | 22 |
| | Retained earnings | | | | | | | |
| 3310 | Legal reserve | | 124,176 | 3 | 105,221 | 4 | 105,221 | 4 |
| 3320 | Special reserve | | 51,710 | 2 | 34,452 | 1 | 34,452 | 1 |
| 3350 | Unappropriated retained earnings | | 520,783 | 14 | 486,799 | 17 | 378,007 | 15 |
| 3300 | Total retained earnings | | 696,669 | 19 | 626,472 | 22 | 517,680 | 20 |
| 3400 | Other equity | 6(11) | (28,542) | (1) | (51,709) | (2) | (112,379) | (4) |
| 3500 | Treasury shares | 6(11) | (28,969) | (1) | (28,969) | (1) | (28,972) | (1) |
| 31xx | Total equity attributable to owners of the parent | | 1,741,165 | 47 | 1,553,836 | 54 | 1,382,015 | 55 |
| 36xx | Non-controlling interests | 4 | 88,848 | 2 | 96,997 | 3 | 83,530 | 3 |
| 3xxx | Total equity | | 1,830,013 | 49 | 1,650,833 | 57 | 1,465,545 | 58 |
| 3x2x | Total liabilities and equity | | $3,755,295 | 100 | $2,906,660 | 100 | $2,521,146 | 100 |

(See Notes to the Consolidated Financial Statements)

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

# VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES

## Consolidated Statement of Comprehensive Income

For the Three Months and Six Months Ended June 30, 2026 and 2025

Unit: NT$ thousand, except earnings per share in NT$

| | | | Three Months Ended June 30 | | | | Six Months Ended June 30 | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2026 | | 2025 | | 2026 | | 2025 | |
| Code | Accounting Item | Note | Amount | % | Amount | % | Amount | % | Amount | % |
| 4000 | Operating revenue | 6(12) and 7 | $902,094 | 100 | $647,942 | 100 | $1,614,485 | 100 | $1,226,506 | 100 |
| 5000 | Operating costs | 6(5, 13) and 7 | (626,331) | (69) | (472,142) | (73) | (1,130,743) | (70) | (887,607) | (72) |
| 5900 | Gross profit | | 275,763 | 31 | 175,800 | 27 | 483,742 | 30 | 338,899 | 28 |
| | Operating expenses | 6(13) and 7 | | | | | | | | |
| 6100 | Selling expenses | | (38,483) | (4) | (28,521) | (4) | (74,531) | (5) | (56,908) | (5) |
| 6200 | General and administrative expenses | | (58,032) | (6) | (46,590) | (7) | (108,783) | (7) | (96,879) | (8) |
| 6300 | Research and development expenses | | (41,572) | (5) | (29,229) | (5) | (77,977) | (5) | (54,926) | (4) |
| 6450 | Expected credit impairment reversal gain (loss) | 6(4) | 1,539 | - | 3,173 | - | 48 | - | (249) | - |
| 6000 | Total operating expenses | | (136,548) | (15) | (101,167) | (16) | (261,243) | (17) | (208,962) | (17) |
| 6900 | Operating profit | | 139,215 | 16 | 74,633 | 11 | 222,499 | 13 | 129,937 | 11 |
| | Non-operating income and expenses | | | | | | | | | |
| 7100 | Interest income | 6(14) | 4,579 | 1 | 2,277 | 1 | 6,857 | - | 4,711 | - |
| 7010 | Other income | 6(8) | 3,875 | - | 960 | - | 8,184 | 1 | 3,043 | - |
| 7050 | Finance costs | 6(8, 10) and 14 | (7,850) | (1) | (1,970) | - | (11,429) | (1) | (2,856) | - |
| 7060 | Share of profit or loss of associates and joint ventures accounted for under the equity method | 6(6) | 1,065 | - | 520 | - | 3,189 | - | 888 | - |
| 7020 | Other gains and losses | 6(14) | 3,809 | - | (30,650) | (5) | 9,446 | 1 | (26,321) | (2) |
| 7000 | Total non-operating income and expenses | | 5,478 | - | (28,863) | (4) | 16,247 | 1 | (20,535) | (2) |
| 7900 | Profit before income tax | | 144,693 | 16 | 45,770 | 7 | 238,746 | 14 | 109,402 | 9 |
| 7950 | Income tax expense | 6(15) | (28,951) | (3) | (7,894) | (1) | (50,577) | (3) | (22,242) | (2) |
| 8200 | Profit for the period | | 115,742 | 13 | 37,876 | 6 | 188,169 | 11 | 87,160 | 7 |
| | Other comprehensive income | | | | | | | | | |
| 8360 | Items that may be reclassified subsequently to profit or loss | | | | | | | | | |
| 8361 | Exchange differences on translation of foreign operations | | 2,380 | - | (91,332) | (14) | 23,767 | 1 | (79,073) | (7) |
| 8370 | Share of other comprehensive income of associates and joint ventures accounted for under the equity method | 6(6) | 696 | - | (5,190) | (1) | 2,231 | - | (4,156) | - |
| 8300 | Total other comprehensive income, net of tax | | 3,076 | - | (96,522) | (15) | 25,998 | 1 | (83,229) | (7) |
| 8500 | Total comprehensive income | | $118,818 | 13 | ($58,646) | (9) | $214,167 | 12 | $3,931 | - |
| | Profit attributable to: | | | | | | | | | |
| 8610 | Owners of the parent | | 110,484 | 12 | 33,901 | 5 | 179,149 | 10 | 80,757 | 7 |
| 8620 | Non-controlling interests | 4 | 5,258 | 1 | 3,975 | 1 | 9,020 | 1 | 6,403 | - |
| | | | $115,742 | 13 | $37,876 | 6 | $188,169 | 11 | $87,160 | 7 |
| | | | 115,742 | 13 | 37,876 | 6 | 188,169 | 11 | 87,160 | 7 |
| | Comprehensive income attributable to: | | | | | | | | | |
| 8710 | Owners of the parent | | 112,644 | 13 | (56,041) | (9) | 202,316 | 12 | 2,829 | - |
| 8720 | Non-controlling interests | 4 | 6,174 | 1 | (2,605) | - | 11,851 | 1 | 1,102 | - |
| | | | $118,818 | 14 | ($58,646) | (9) | $214,167 | 13 | $3,931 | - |
| | | | 118,818 | 14 | (58,646) | (9) | 214,167 | 13 | 3,931 | - |
| | Earnings per share (in dollars) | 6(16) | | | | | | | | |
| 9750 | Basic earnings per share | | $2.54 | | $0.78 | | $4.11 | | $1.85 | |
| 9850 | Diluted earnings per share | | $2.27 | | $0.77 | | $3.85 | | $1.84 | |

(See Notes to the Consolidated Financial Statements)

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

## VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Changes in Equity

For the Six Months Ended June 30, 2026 and 2025

Unit: NT$ thousand

| | Equity attributable to owners of the parent | | | | | | | | | | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Item | Share capital | Advance receipts for share capital | Stock dividends to be distributed | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings | Foreign currency translation reserve | Treasury shares | Total | Non-controlling interests | Total equity |
| Balance as of January 1, 2025 | $417,165 | - | - | $565,514 | $86,676 | $52,481 | $402,057 | ($34,451) | - | $1,489,442 | $92,828 | $1,582,270 |
| Appropriation of the 2024 earnings | | | | | | | | | | | | |
| Legal reserve appropriated | - | - | - | - | 18,545 | - | (18,545) | - | - | - | - | - |
| Special reserve reversed | - | - | - | - | - | (18,029) | 18,029 | - | - | - | - | - |
| Cash dividends of ordinary shares | - | - | - | - | - | - | (83,433) | - | - | (83,433) | - | (83,433) |
| Stock dividends of ordinary shares | - | - | 20,858 | - | - | - | (20,858) | - | - | - | - | - |
| Net income for January 1 to June 30, 2025 | - | - | - | - | - | - | 80,757 | - | - | 80,757 | 6,403 | 87,160 |
| Other comprehensive income for January 1 to June 30, 2025 | - | - | - | - | - | - | - | (77,928) | - | (77,928) | (5,301) | (83,229) |
| Total comprehensive income for the period | - | - | - | - | - | - | 80,757 | (77,928) | - | 2,829 | 1,102 | 3,931 |
| Compensation cost of employee stock options | - | - | - | 754 | - | - | - | - | - | 754 | - | 754 |
| Common shares issued from exercise of employee stock options | - | 1,395 | - | - | - | - | - | - | - | 1,395 | - | 1,395 |
| Purchase of treasury shares | - | - | - | - | - | - | - | - | (28,972) | (28,972) | - | (28,972) |
| Cash dividends distributed to non-controlling interests by subsidiaries | - | - | - | - | - | - | - | - | - | - | (10,400) | (10,400) |
| Balance as of June 30, 2025 | $417,165 | $1,395 | $20,858 | $566,268 | $105,221 | $34,452 | $378,007 | ($112,379) | ($28,972) | $1,382,015 | $83,530 | $1,465,545 |
| Balance as of January 1, 2026 | $438,488 | - | - | $569,554 | $105,221 | $34,452 | $486,799 | ($51,709) | ($28,969) | $1,553,836 | $96,997 | $1,650,833 |
| Appropriation of the 2025 earnings | | | | | | | | | | | | |
| Legal reserve appropriated | - | - | - | - | 18,955 | - | (18,955) | - | - | - | - | - |
| Special reserve appropriated | - | - | - | - | - | 17,258 | (17,258) | - | - | - | - | - |
| Cash dividends of ordinary shares | - | - | - | - | - | - | (108,952) | - | - | (108,952) | - | (108,952) |
| Recognition of equity component - stock options upon issuance of convertible corporate bonds | - | - | - | 91,579 | - | - | - | - | - | 91,579 | - | 91,579 |
| Net income for January 1 to June 30, 2026 | - | - | - | - | - | - | 179,149 | - | - | 179,149 | 9,020 | 188,169 |
| Other comprehensive income for January 1 to June 30, 2026 | - | - | - | - | - | - | - | 23,167 | - | 23,167 | 2,831 | 25,998 |
| Total comprehensive income for the period | - | - | - | - | - | - | 179,149 | 23,167 | - | 202,316 | 11,851 | 214,167 |
| Compensation cost of employee stock options | - | - | - | 2,386 | - | - | - | - | - | 2,386 | - | 2,386 |
| Cash dividends distributed to non-controlling interests by subsidiaries | - | - | - | - | - | - | - | - | - | - | (20,000) | (20,000) |
| Balance as of June 30, 2026 | $438,488 | - | - | $663,519 | $124,176 | $51,710 | $520,783 | ($28,542) | ($28,969) | $1,741,165 | $88,848 | $1,830,013 |

(See Notes to the Consolidated Financial Statements)

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

**VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES**

Consolidated Statement of Cash Flows

For the Six Months Ended June 30, 2026 and 2025

Unit: NT$ thousand

| Item | 2026 | 2025 | Item | 2026 | 2025 |
|---|---|---|---|---|---|
| Net income before tax | $238,746 | $109,402 | Acquisition of financial assets measured at amortized cost | (798,019) | (895,458) |
| Income and expense items: | | | Disposal of financial assets measured at amortized cost | 378,000 | 938,208 |
| Depreciation expense | 43,717 | 31,749 | Disposal of financial assets at fair value through profit or loss | 17 | - |
| Amortization expense | 5,104 | 5,475 | Acquisition of property, plant and equipment and prepayments for equipment | (132,767) | (187,342) |
| Expected credit impairment loss (reversal gain) | (48) | 249 | Proceeds from disposal of property, plant and equipment | 854 | 1,056 |
| Net gain on financial assets and liabilities at fair value through profit or loss | (7,366) | (6,980) | Decrease (increase) in refundable deposits | 262 | (33) |
| Finance costs | 11,429 | 2,856 | Acquisition of intangible assets | (1,516) | (562) |
| Interest income | (6,857) | (4,711) | Proceeds from disposal of right-of-use assets | - | 5,872 |
| Share-based payment expense | 2,386 | 754 | Interest received | 5,390 | 4,620 |
| Share of profit or loss of associates accounted for under the equity method | (3,189) | (888) | Dividends received from associates | - | 1,060 |
| Net gain on disposal and retirement of property, plant and equipment | (341) | (345) | Net cash used in investing activities | (547,779) | (132,579) |
| Losses on inventory write-downs and obsolescence | 12,271 | 7,755 | Increase in short-term borrowings | 289,726 | 370,833 |
| Government grants | (266) | (338) | Decrease in short-term borrowings | (364,743) | (207,200) |
| (Gain on lease modifications)/loss on disposal of right-of-use assets | (23) | 1,402 | Issuance of convertible corporate bonds | 487,559 | - |
| Changes in assets and liabilities related to operating activities: | | | Proceeds from long-term borrowings | 112,779 | 49,249 |
| Financial assets mandatorily measured at fair value through profit or loss | - | 7,357 | Repayment of the principal portion of lease liabilities | (5,001) | (4,320) |
| Notes and accounts receivable (including related parties) | (103,154) | (55,329) | Exercise of employee stock options | - | 1,395 |
| Other receivables | (5,264) | 496 | Purchase of treasury shares | - | (28,972) |
| Inventory | (114,752) | (54,860) | Interest paid | (6,160) | (2,082) |
| Other current assets | (64,132) | (584) | Changes in non-controlling interests | (20,000) | (10,400) |
| Other non-current assets | (2,730) | 151 | Net cash provided by financing activities | 494,160 | 168,503 |
| Financial liabilities at fair value through profit or loss-current | (3,086) | (416) | Effect of exchange rate changes on cash and cash equivalents | 8,967 | (29,853) |
| Contract liabilities | 12,734 | 1,087 | Net increase in cash and cash equivalents for the period | 24,275 | 20,189 |
| Accounts payable (including related parties) | 87,424 | (21,569) | Cash and cash equivalents at beginning of period | $348,704 | $320,793 |
| Other payables (including related parties) | (6,286) | (2,311) | Cash and cash equivalents at end of period | $372,979 | $340,982 |
| Provisions | 3,963 | 739 | | | |
| Other current liabilities | (2,556) | 523 | | | |
| Cash generated from operations | 97,724 | 21,664 | | | |
| Income taxes paid | (28,797) | (7,546) | | | |
| Net cash provided by operating activities | 68,927 | 14,118 | | | |

(See Notes to the Consolidated Financial Statements)

**VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

January 1 to June 30, 2026 and 2025

(Amounts are in thousands of New Taiwan dollars unless otherwise stated)

## I. Company History

VSO ELECTRONICS CO., LTD. (hereinafter referred to as the "Company") was established on August 13, 1994. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are primarily engaged in the sale of various types of connecting cables for smart IoT, cloud computing, industrial control, medical, and automotive applications.

The Company's shares have been officially listed on the Taipei Exchange since October 1, 2024. The Group's headquarters is located at 7F., No. 880, Zhongzheng Rd., Zhonghe Dist., New Taipei City, Taiwan, and its principal production sites are located in mainland China and Vietnam to support the needs of its global customers and supply chain.

## II. Date and Procedure for Approval of Financial Statements

These consolidated financial statements were approved and released by the Board of Directors on August 11, 2026.

## III. Application of New and Revised Standards and Interpretations

1. Changes in accounting policies arising from the initial application of International Financial Reporting Standards

The Group has adopted the International Financial Reporting Standards, International Accounting Standards, and IFRIC and SIC Interpretations recognized by the Financial Supervisory Commission (hereinafter referred to as the "FSC") and effective for annual reporting periods beginning on or after January 1, 2026. The initial application of these new and amended standards has no material effect on the Group.

2. As of the date of approval and issuance of these financial statements, the Group has not adopted the following newly issued, amended, or revised standards or interpretations that have been issued by the International Accounting Standards Board (IASB) and recognized by the FSC:

| No. | Newly Issued/Amended/Revised Standards and Interpretations | Effective Date Issued by the IASB |
|---|---|---|
| 1 | IFRS 18 "Presentation and Disclosure in Financial Statements" | January 1, 2027 (Note) |
| 2 | Disclosure Initiative—Subsidiaries without Public Accountability: Disclosures (IFRS 19) | January 1, 2027 |
| 3 | Translation to a Currency of a Hyperinflationary Economy (Amendments to IAS 21 and IAS 29) | January 1, 2027 |
| 4 | Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28) | January 1, 2027 (Note) |

(Note) On September 25, 2025, the FSC issued a press release announcing that the Republic of China will converge with IFRS 18 in 2028; entities that have a need for early application may also elect to apply it early.

As of the date of issuance of these consolidated financial statements, the Group has assessed that the amendments to the above standards and interpretations have no material effect on the Group's financial position and financial performance. However, IFRS 18 "Presentation and Disclosure in Financial Statements" will replace IAS 1 "Presentation of Financial Statements" and will therefore change the presentation of the Group's financial statements. The main changes are as follows:

(a) Enhancing the comparability of the income statement

In the income statement, income and expenses are classified into five categories: operating, investing, financing, income taxes, and discontinued operations, of which the first three are new categories, in order to improve the structure of the income statement, and all entities are required to provide newly defined subtotals (including operating profit or loss). By improving the structure of the income statement and the newly defined subtotals, investors will have a consistent starting point when analyzing the financial performance among entities and can more easily compare entities.

(b) Enhancing transparency of management performance measures

Requires entities to disclose explanations of entity-specific metrics related to the income statement (referred to as management performance measures).

(c) Useful aggregation of financial statement information

Application guidance has been established to determine whether financial information should be presented in the primary financial statements or in the notes. This change is expected to provide more detailed and useful information. Entities are required to provide more transparent information on operating expenses to help investors find and understand the information used.

3. As of the date of approval and issuance of these financial statements, the Group has not adopted the following newly issued, amended, or revised standards or interpretations that have been issued by the IASB but not yet recognized by the FSC:

| No. | Newly Issued/Amended/Revised Standards and Interpretations | Effective Date Issued by the IASB |
|---|---|---|
| 1 | Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures”—Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | To be determined by the IASB |
| 2 | IFRS 20 “Regulatory Assets and Regulatory Liabilities” | January 1, 2029 |

The actual effective dates of the above standards or interpretations issued by the IASB but not yet recognized by the FSC shall be determined by the FSC. The Group has assessed that these newly issued or amended standards or interpretations have no material effect on the Group.

## IV. Summary of Significant Accounting Policies

Except for the statements of compliance, basis of preparation, overview of consolidation, and the newly added items described below, the significant accounting policies are the same as those described in Note 4 to the consolidated financial statements for the year ended December 31, 2025. Unless otherwise stated, these policies have been applied consistently to all reporting periods.

1. Statement of Compliance

The Group’s consolidated financial statements for the periods from January 1 to June 30, 2026 and 2025 were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as recognized and issued into effect by the FSC. These consolidated financial statements do not include all of the IFRS disclosure information required for a complete set of annual financial statements.

2. Basis of Preparation

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value. Unless otherwise stated, these consolidated financial statements are expressed in thousands of New Taiwan dollars.

3. Overview of Consolidation

(1) Principles for the preparation of consolidated financial statements

Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee only if it has all of the following three elements of control:

(A) power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities);

(B) exposure, or rights, to variable returns from its involvement with the investee; and

(C) the ability to use its power over the investee to affect the amount of the investor’s returns.

When the Company holds, directly or indirectly, less than a majority of the voting or similar rights of an investee, it considers all relevant facts and circumstances in assessing whether it has power over the investee, including:

(A) contractual arrangements with other holders of voting rights of the investee;

(B) rights arising from other contractual arrangements; and

(C) voting rights and potential voting rights.

When facts and circumstances indicate that there are changes to one or more of the three elements of control, the Company reassesses whether it still controls the investee.

Subsidiaries are fully consolidated from the acquisition date (i.e., the date the Company obtains control) until the date the Company loses control of the subsidiary. The accounting periods and accounting policies of subsidiaries are consistent with those of the parent. All intra-group account balances, transactions, unrealized gains and losses arising from intra-group transactions, and dividends are eliminated in full.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

The total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

If the Company loses control of a subsidiary, it:

(A) derecognizes the assets (including goodwill) and liabilities of the subsidiary;

(B) derecognizes the carrying amount of any non-controlling interests;

(C) recognizes the fair value of the consideration received;

(D) recognizes the fair value of any investment retained;

(E) reclassifies to profit or loss, or transfers directly to retained earnings as required by other IFRSs, the amounts previously recognized in other comprehensive income by the parent; and

(F) recognizes any resulting difference as profit or loss for the period.

(2) The entity preparing the consolidated financial statements is as follows:

| | | | Percentage of ownership (%) | | |
|---|---|---|---|---|---|
| Name of investee | Name and abbreviation of subsidiary | Principal business | June 30, 2026 | Dec. 31, 2025 | June 30, 2025 |
| VSO ELECTRONICS CO., LTD. | Cable Garden Holdings Limited | Investment holding business | 100 | 100 | 100 |
| | LINKUPON INTERNATIONAL LIMITED ("Linkupon International") | Sales of engineering plastics for optical, automotive, and 3C product applications | 60 | 60 | 60 |
| | Vsovn Electronics (HANOI) Company Limited | Manufacturing and sales of various types of cables for smart IoT, cloud computing, industrial control, medical, and automotive applications | 100 | 100 | 100 |
| Cable Garden Holdings Limited | VSO (Viet Nam) Electronics Co., LTD. | Manufacturing and sales of various types of cables for smart IoT, cloud computing, industrial control, medical, and automotive applications | 100 | 100 | 100 |
| | Ji An VSO Electronics Co., LTD. | Manufacturing and sales of various types of cables for smart IoT, cloud computing, industrial control, medical, and automotive applications | 100 | 100 | 100 |
| | Cleveland Investments Limited | Investment holding business | 100 | 100 | 100 |
| Cleveland Investments Limited | VSO Electronics (Suzhou) Co., LTD. | Manufacturing and sales of various types of cables for smart IoT, cloud computing, industrial control, medical, and automotive applications | 100 | 100 | 100 |
| LINKUPON INTERNATIONAL LIMITED | Linkupon International Holdings Limited | Investment holding business | 100 | 100 | 100 |
| Linkupon International Holdings Limited | Zhangjiagang Free Trade Zone Linkupon Material Trading Limited Company | Sales of engineering plastics for optical, automotive, and 3C product applications | 100 | 100 | 100 |

Subsidiaries with non-controlling interests that are material to the Group:

The subsidiary with significant non-controlling interests is LINKUPON INTERNATIONAL LIMITED, whose principal place of business is Taiwan and in which non-controlling interests hold 40% of the equity and voting rights as of June 30, 2026, December 31, 2025, and June 30, 2025. Summarized financial information of this subsidiary is as follows:

| Summarized balance sheet | June 30, 2026 | Dec. 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Current assets | $336,063 | $350,642 | $257,841 |
| Non-current assets | 71,424 | 53,742 | 48,580 |
| Current liabilities | (163,952) | (142,495) | (78,022) |
| Non-current liabilities | (21,413) | (19,396) | (19,575) |
| Equity | $222,122 | $242,493 | $208,824 |

| Equity attributable to: | June 30, 2026 | Dec. 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Owners of the parent | $133,274 | $145,496 | $125,294 |
| Non-controlling interests | 88,848 | 96,997 | 83,530 |
| Total | $222,122 | $242,493 | $208,824 |

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Operating revenue | $188,098 | $113,965 | $333,047 | $223,154 |
| Profit for the period | $13,146 | $9,937 | $22,551 | $16,008 |
| Other comprehensive income | 2,290 | (16,451) | 7,077 | (13,254) |
| Total comprehensive income | $15,436 | ($6,514) | $29,628 | $2,754 |
| Net income attributable to: | | | | |
| Owners of the parent | $7,888 | $5,962 | $13,531 | $9,605 |
| Non-controlling interests | 5,258 | 3,975 | 9,020 | 6,403 |
| | $13,146 | $9,937 | $22,551 | $16,008 |
| Comprehensive income attributable to: | | | | |
| Owners of the parent | $9,262 | ($3,909) | $17,777 | $1,652 |
| Non-controlling interests | 6,174 | (2,605) | 11,851 | 1,102 |
| | $15,436 | ($6,514) | $29,628 | $2,754 |

4. Income Tax

Income tax expense for the interim period is accrued and disclosed based on the tax rate applicable to the expected total profit for the current year; that is, the estimated annual average effective tax rate is applied to the pre-tax profit for the interim period. The estimate of the annual average effective tax rate includes only current income tax expense; deferred income tax is recognized and measured in accordance with IAS 12 “Income Taxes,” consistent with the annual financial statements.

## V. Major Sources of Uncertainties in Significant Accounting Judgments, Estimates, and Assumptions

The major sources of uncertainty regarding the significant accounting judgments, estimates, and assumptions used in these consolidated financial statements are the same as those in the 2025 consolidated financial statements; please refer to Note 5 of the Group’s 2025 consolidated financial statements.

## VI. Explanation of Significant Accounting Items

### 1. Cash and Cash Equivalents

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Cash on hand and petty cash | $659 | $1,007 | $870 |
| Bank demand deposits | 304,231 | 221,321 | 206,880 |
| Cash equivalents: | | | |
| Bank time deposits with original maturity within three months | 68,089 | 126,376 | 73,232 |
| Bonds under repurchase agreements | - | - | 60,000 |
| Total | $372,979 | $348,704 | $340,982 |

The financial institutions with which the Group deals are of good credit quality, and the Group transacts with several financial institutions to diversify credit risk. The probability of default is expected to be very low.

### 2. Financial Assets and Liabilities at Fair Value Through Profit or Loss

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Financial assets—current | | | |
| Mandatorily measured at fair value through profit or loss: | | | |
| Non-derivative financial assets—fund beneficiary certificates | $5,171 | $5,133 | $5,095 |
| Financial assets—non-current | | | |
| Designated as at fair value through profit or loss: | | | |
| Derivative—redemption right of convertible bonds (Note 6.10) | $11,588 | - | - |

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Financial liabilities—current | | | |
| Held for trading: | | | |
| Derivative (not designated as hedge)—forward exchange contracts | $40 | $1,904 | - |
| Financial liabilities—non-current | | | |
| Designated as at fair value through profit or loss: | | | |
| Derivative—put right of convertible bonds (Note 6.10) | $3,101 | - | - |

Forward exchange contracts outstanding at the balance sheet dates for which hedge accounting was not applied and which had not yet matured are as follows:

| **June 30, 2026** | Currency | Maturity / Contract amount (in thousands) |
|---|---|---|
| Sell forward exchange | USD to NTD | 2026.6.25–2026.9.2 USD 1,100 / NTD 34,889 |

| **December 31, 2025** | Currency | Maturity / Contract amount (in thousands) |
|---|---|---|
| Sell forward exchange | USD to NTD | 2026.1.5–2026.3.4 USD 3,050 / NTD 93,795 |

The Group had no outstanding forward exchange contracts as of June 30, 2025.

The Group engages in forward exchange contracts mainly to hedge the risk arising from exchange rate fluctuations on its foreign-currency assets and liabilities; however, as these do not meet the criteria for effective hedges, hedge accounting is not applied.

The net gains on financial assets and liabilities at fair value through profit or loss for the three months ended June 30, 2026 and 2025 and the six months ended June 30, 2026 and 2025 were NT$5,156 thousand, NT$7,807 thousand, NT$7,366 thousand, and NT$6,980 thousand, respectively.

### 3. Financial Assets Measured at Amortized Cost—Current

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Time deposits with maturity over three months | $467 | $300,443 | $415 |
| Bonds under repurchase agreements | 798,000 | 78,000 | 295,000 |
| Total | $798,467 | $378,443 | $295,415 |

The interest rate on the above time deposits with maturity over three months was 4.10%; the interest rate on bonds under repurchase agreements ranged from 1.7% to 1.75%.

As the Group's counterparties are financial institutions of good credit quality, the probability of default on the above financial assets is expected to be very low.

## 4. Notes Receivable and Accounts Receivable (Including Related Parties)

| **Notes receivable** | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Arising from operations | $14,504 | $8,707 | $2,428 |

| **Accounts receivable** | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Total carrying amount | $984,974 | $890,614 | $793,382 |
| Less: loss allowance | (493) | (534) | (2,812) |
| Subtotal | 984,481 | 890,080 | 790,570 |
| Accounts receivable—related parties | 52,767 | 37,540 | 50,061 |
| Total | $1,037,248 | $927,620 | $840,631 |

Accounts receivable

The average credit period for the Group's sales of goods is 30 to 145 days from the end of the month, and accounts receivable bear no interest.

To maintain the quality of receivables, the Group has established operating procedures for credit risk management. The Group's risk assessment of individual customers considers various factors that may affect a customer's payment ability, including the customer's financial condition, aging analysis, and historical transaction records. The Company also uses certain credit enhancement tools at appropriate times, such as requiring customers to prepay for goods, to reduce the credit risk of specific customers.

In addition, at each balance sheet date the Group individually reviews the recoverable amounts of receivables to ensure that adequate impairment losses have been recognized for irrecoverable receivables. Accordingly, the Group's management believes that the Group's credit risk has been significantly reduced.

The Group recognizes a loss allowance for accounts receivable based on lifetime expected credit losses. Lifetime expected credit losses are calculated using a provision matrix that takes into account the customers' historical default records, current financial condition, and industry economic conditions. With reference to historical experience and considering the individual financial condition of customers, the Group classifies customers into different risk groups, applies different provision matrices by customer group, and determines the expected credit loss rates by taking into account the number of days accounts receivable are past due.

If there is evidence that a counterparty is in severe financial difficulty and the Group cannot reasonably expect to recover the amount—for example, when the counterparty is undergoing liquidation—the Group directly writes off the related accounts receivable, but continues its recovery activities; amounts recovered are recognized in profit or loss.

The aging analysis of accounts receivable, net (including related parties), is as follows:

| **June 30, 2026** | Not past due | 1–30 days | 31–60 days | 61–90 days | 91–120 days | Over 120 days | Total |
|---|---|---|---|---|---|---|---|
| ECL rate | 0%~0.01% | 0%~0.06% | 0%~1.98% | 0%~2.82% | 0%~50% | 100% | |
| Gross carrying amount | $920,510 | $97,793 | $19,169 | $63 | $187 | $19 | $1,037,741 |
| Loss allowance (lifetime ECL) | (83) | (50) | (303) | (1) | (37) | (19) | (493) |
| Amortized cost | $920,427 | $97,743 | $18,866 | $62 | $150 | - | $1,037,248 |

| **December 31, 2025** | Not past due | 1–30 days | 31–60 days | 61–90 days | 91–120 days | Over 120 days | Total |
|---|---|---|---|---|---|---|---|
| ECL rate | 0%~0.003% | 0%~0.02% | 0%~2.52% | 0%~11.71% | 0%~72.57% | 100% | |
| Gross carrying amount | $804,624 | $117,153 | $5,329 | $587 | $61 | $400 | $928,154 |
| Loss allowance (lifetime ECL) | (15) | (20) | (53) | (1) | (45) | (400) | (534) |
| Amortized cost | $804,609 | $117,133 | $5,276 | $586 | $16 | - | $927,620 |

| **June 30, 2025** | Not past due | 1–30 days | 31–60 days | 61–90 days | 91–120 days | Over 120 days | Total |
|---|---|---|---|---|---|---|---|
| ECL rate | 0%~0.04% | 0%~0.23% | 0%~53.05% | 0%~90.90% | 0%~100% | 100% | |
| Gross carrying amount | $734,992 | $102,107 | $4,149 | $965 | - | $1,230 | $843,443 |
| Loss allowance (lifetime ECL) | (178) | (187) | (344) | (873) | - | (1,230) | (2,812) |
| Amortized cost | $734,814 | $101,920 | $3,805 | $92 | - | - | $840,631 |

The above aging analysis is based on the number of days past due.

The movement of the loss allowance for the Group's notes and accounts receivable for the six months ended June 30, 2026 and 2025 is as follows:

| | 2026 | 2025 |
|---|---|---|
| Balance at January 1 | $534 | $2,683 |
| (Reversal of) provision for impairment loss | (48) | 249 |
| Effect of exchange rate changes | 7 | (120) |
| Balance at June 30 | $493 | $2,812 |

The Group's notes and accounts receivable are not pledged and the Group does not hold any collateral.

**5. Inventories**

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Raw materials | $120,269 | $93,105 | $77,189 |
| Work in process | 85,744 | 53,089 | 51,021 |
| Finished goods | 98,137 | 93,296 | 79,426 |
| Merchandise | 99,782 | 51,694 | 47,651 |
| Total | $403,932 | $291,184 | $255,287 |

The cost of inventories recognized as an expense for the three months ended June 30, 2026 and 2025 and the six months ended June 30, 2026 and 2025 was NT$626,331 thousand, NT$472,142 thousand, NT$1,130,743 thousand, and NT$887,607 thousand, respectively, of which the (reversal of) write-down loss on inventories recognized was NT$(1,595) thousand, NT$2,137 thousand, NT$12,271 thousand, and NT$7,755 thousand, respectively. The reversal of the write-down loss resulted from the Group's active clearance of inventories for which a write-down allowance had been recognized.

The aforementioned inventories were not pledged as collateral.

## 6. Investments Accounted for Using the Equity Method

Investments in associates

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Material associates | | | |
| Zhang Jia Gang Free Trade Zone Mitsui LinkUpon Advanced Material, Inc. | $53,564 | $50,019 | $44,167 |

Information on material associates:

| Name of associate | Nature of business | Principal place of business | Percentage of equity and voting rights held June 30, 2026 | Dec. 31, 2025 | June 30, 2025 |
|---|---|---|---|---|---|
| Zhang Jia Gang Free Trade Zone Mitsui LinkUpon Advanced Material, Inc. | Manufacture and sale of plastic materials | China | 24% | 24% | 24% |

For information on the nature of business, principal place of business, and country of incorporation of the above associate, please refer to Schedule 8, "Information on Investments in Mainland China."

For the three months ended June 30, 2026 and 2025 and the six months ended June 30, 2026 and 2025, the Group's share of profit (loss) of associates and joint ventures accounted for using the equity method was NT$1,065 thousand, NT$520 thousand, NT$3,189 thousand, and NT$888 thousand, respectively, and the Group's share of other comprehensive income (loss) of associates was NT$696 thousand, NT$(5,190) thousand, NT$2,231 thousand, and NT$(4,156) thousand, respectively, based on the financial statements of these investees for the same periods that were reviewed by independent auditors.

## 7. Property, Plant and Equipment

| | Land | Buildings | Machinery and equipment | Transportation equipment | Other equipment | Construction in progress | Total |
|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | |
| January 1, 2026 | $97,577 | $184,670 | $443,036 | $10,155 | $90,848 | $160,742 | $987,028 |
| Additions | - | 11,860 | 27,502 | 94 | 2,559 | 78,261 | 120,276 |
| Government grants | - | (8,502) | - | - | - | - | (8,502) |
| Disposals | - | - | (744) | - | (438) | - | (1,182) |
| Reclassifications | - | - | 10,444 | - | 526 | (10,970) | - |
| Net exchange differences | - | 5,170 | 14,347 | 174 | 1,976 | 2,033 | 23,700 |
| June 30, 2026 | $97,577 | $193,198 | $494,585 | $10,423 | $95,471 | $230,066 | $1,121,320 |
| **Accumulated depreciation** | | | | | | | |
| January 1, 2026 | - | ($31,896) | ($195,756) | ($3,528) | ($37,327) | - | ($268,507) |
| Depreciation | - | (2,931) | (27,604) | (1,015) | (6,177) | - | (37,727) |
| Disposals | - | - | 249 | - | 420 | - | 669 |
| Reclassifications | - | - | - | - | - | - | - |
| Net exchange differences | - | (963) | (6,872) | (56) | (1,041) | - | (8,932) |
| June 30, 2026 | - | ($35,790) | ($229,983) | ($4,599) | ($44,125) | - | ($314,497) |
| **Net carrying amount as of June 30, 2026** | | | | | | | |
| Cost | $97,577 | $193,198 | $494,585 | $10,423 | $95,471 | $230,066 | $1,121,320 |
| Accumulated depreciation | - | (35,790) | (229,983) | (4,599) | (44,125) | - | (314,497) |
| Net carrying amount | $97,577 | $157,408 | $264,602 | $5,824 | $51,346 | $230,066 | $806,823 |

| | Land | Buildings | Machinery and equipment | Transportation equipment | Other equipment | Construction in progress | Total |
|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | |
| January 1, 2025 | $65,705 | $171,386 | $334,183 | $6,356 | $65,405 | $2,712 | $645,747 |
| Additions | 31,872 | 14,567 | 66,051 | 2,506 | 11,549 | 67,316 | 193,861 |
| Government grants | - | (156) | - | - | - | - | (156) |
| Disposals | - | - | (1,742) | - | (42) | - | (1,784) |
| Net exchange differences | - | (11,878) | (36,507) | (472) | (5,529) | (6,648) | (61,034) |
| June 30, 2025 | $97,577 | $173,919 | $361,985 | $8,390 | $71,383 | $63,380 | $776,634 |
| **Accumulated depreciation** | | | | | | | |
| January 1, 2025 | - | ($26,278) | ($170,650) | ($1,955) | ($29,855) | - | ($228,738) |
| Depreciation | - | (2,742) | (18,310) | (721) | (4,438) | - | (26,211) |
| Disposals | - | - | 1,031 | - | 42 | - | 1,073 |
| Net exchange differences | - | 1,679 | 17,161 | 100 | 2,296 | - | 21,236 |
| June 30, 2025 | - | ($27,341) | ($170,768) | ($2,576) | ($31,955) | - | ($232,640) |
| **Net carrying amount as of June 30, 2025** | | | | | | | |
| Cost | $97,577 | $173,919 | $361,985 | $8,390 | $71,383 | $63,380 | $776,634 |
| Accumulated depreciation | - | (27,341) | (170,768) | (2,576) | (31,955) | - | (232,640) |
| Net carrying amount | $97,577 | $146,578 | $191,217 | $5,814 | $39,428 | $63,380 | $543,994 |

The government grants represent various tax refund subsidies granted by local governments under investment agreements, recorded as a deduction from property, plant and buildings.

Depreciation expense is provided on a straight-line basis over the following useful lives: buildings, 30 to 50 years; machinery and equipment, 2 to 10 years; transportation equipment, 2 to 6 years; other equipment, 2 to 10 years.

The Group had no capitalization of interest on property, plant and equipment for fiscal years 2026 and 2025.

For the property, plant and equipment pledged as collateral for the Group’s borrowings, please refer to Note 8.

**8. Borrowings**

(1) Short-term bank borrowings

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Bank credit loans | $100,718 | $201,400 | $111,767 |
| Bank secured loans | 53,569 | 27,378 | 80,982 |
| Total | $154,287 | $228,778 | $192,749 |
| Range of interest rates at period-end | 4.36%~6.57% | 2.26%~5.74% | 2.08%~5.30% |

The above bank secured loans are jointly guaranteed by the Chairman, Mr. Chien Chung-Cheng, in his personal capacity, and are secured by mortgages over the Group's own land-use rights and buildings (see Note 8).

(2) Long-term bank borrowings

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Long-term bank borrowings | $237,339 | $124,294 | $58,446 |
| Range of interest rates at period-end | 1.77% | 1.77% | 1.77% |

The above represents a credit line obtained by the Company from a bank under the "National Development Fund Special Loan Program for Overseas Investment Financing," drawn down in tranches within the credit line. Each tranche matures on December 10, 2029, with a grace period of 24 months from the drawdown date of each tranche, after which principal and interest are repaid monthly. The Chairman, Mr. Chien Chung-Cheng, originally served as joint guarantor in his personal capacity; however, the bank released the Chairman's joint guarantee obligation on February 13, 2026.

The difference between the preferential interest rate of the above government special financing loan and the market borrowing rate is recorded as government grant deferred revenue. As of June 30, 2026, December 31, 2025, and June 30, 2025, the Group's deferred revenue amounted to NT$1,230 thousand, NT$1,496 thousand, and NT$803 thousand, respectively, and other income—government grants of NT$133 thousand, NT$163 thousand, NT$266 thousand, and NT$338 thousand were recognized for the three months ended June 30, 2026 and 2025 and the six months ended June 30, 2026 and 2025, respectively.

**9. Accounts Payable and Other Payables**

(1) Accounts payable mainly consist of amounts payable to suppliers for goods. The Group's payment period for goods is generally 30 to 120 days from the end of the month. Accounts payable generally bear no interest. The Group has established a financial risk management policy to ensure that all payables are settled within the Company's payment terms.

(2) Details of other payables are as follows:

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Salaries and bonuses payable | $67,074 | $78,101 | $50,729 |
| Dividends payable | 108,952 | - | 83,433 |
| Social insurance payable | 141,136 | 136,418 | 118,616 |
| Other payables | 111,972 | 121,423 | 97,253 |
| Total | $429,134 | $335,942 | $350,031 |

## 10. Corporate Bonds Payable

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Domestic first unsecured convertible bonds | $400,827 | - | - |

On March 19, 2026, the Company issued 4,500 units of its domestic first unsecured convertible bonds in Taiwan, in the total amount of NT$450,000 thousand, with a coupon rate of 0% and a par value of NT$100 thousand per unit. Other issuance terms are as follows:

(1) Conversion period: June 20, 2026 to March 19, 2029.

(2) Conversion price:

A. The conversion price at the time of issuance was NT$126. Thereafter, upon any change in the Company's share capital (including but not limited to cash capital increase, capitalization of earnings, capitalization of capital surplus, etc.), the conversion price shall be adjusted in accordance with the prescribed calculation formula. As of June 30, 2026, the conversion price was NT$123.7.

B. After the issuance of these convertible bonds, if the Company distributes cash dividends on its common shares, the conversion price shall be adjusted downward on the ex-dividend record date in accordance with the prescribed calculation formula. This downward adjustment does not apply to conversions requested before (excluding) the ex-dividend record date.

(3) Redemption and put provisions of the bonds:

A. Redemption at maturity: upon expiration of the bonds, the principal shall be repaid at par value.

B. Early redemption:

From the day after the bonds have been issued for three months (June 20, 2026) until 40 days before maturity (February 7, 2029), if the closing price of the Company's common shares exceeds the prevailing conversion price by 30% or more for 30 consecutive business days, the Company may redeem part or all of the bonds at par value.

From the day after the bonds have been issued for three months (June 20, 2026) until 40 days before maturity (February 7, 2029), if the outstanding balance of the bonds is less than 10% of the original total issue amount, the Company may redeem the bonds at par value at any time.

C. Early put (sellback):

The put record date for bondholders is the date on which the bonds have been issued for two years (i.e., from March 19, 2028); bondholders may require the Company to redeem the bonds they hold at par value.

These convertible bonds comprise liability and equity components. The equity component is presented under equity as capital surplus—convertible bonds. The effective interest rate of the liability component at initial recognition was 4.3589%.

| | |
|---|---|
| Issue proceeds (net of transaction costs of NT$5,399 thousand) | $487,559 |
| Equity component | ($91,579) |
| Net financial liabilities at fair value through profit or loss | ($45) |
| Liability component at issuance date | $395,935 |
| Amortization of discount on bonds payable | $4,892 |
| Liability component at June 30, 2026 | $400,827 |

## 11. Equity

(1) Common stock

As of June 30, 2026, December 31, 2025, and June 30, 2025, the Company's authorized capital was NT$600,000 thousand, or 60,000 thousand shares; the paid-in capital was NT$438,488 thousand, NT$438,488 thousand, and NT$417,165 thousand, respectively, with a par value of NT$10 per share and 43,849 thousand shares, 43,849 thousand shares, and 41,717 thousand shares, respectively. All shares issued by the Company have been fully paid. Each share carries one voting right and the right to receive dividends.

There was no change in the Company's common stock during the period from January 1 to June 30, 2026. In addition, during the period from January 1 to June 30, 2025, 46 thousand shares were issued upon the exercise of employee stock options granted on June 1, 2022, at a subscription price of NT$30 per share, with a capital increase record date of July 7, 2025. As the change registration had not been completed as of June 30, 2025, the amount was recorded under advance receipts for share capital.

(2) Capital surplus

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| May be used to offset losses, distribute cash, or be capitalized: | | | |
| Share premium (Note) | $565,260 | $565,260 | $563,750 |
| May only be used to offset losses: | | | |
| Exercise of recovered rights | 1,184 | 1,184 | 928 |
| May not be used for any purpose: | | | |
| Convertible bonds—conversion right | 91,579 | - | - |
| Employee stock options | 5,496 | 3,110 | 1,590 |
| Total | $663,519 | $569,554 | $566,268 |

Note: When the capital surplus arising from the issuance of shares in excess of par value is capitalized, the annual amount is limited to 10% of the paid-in capital.

(3) Treasury stock

A. On April 16, 2025, the Company's Board of Directors resolved to repurchase shares from the open market for transfer to employees. The repurchase period was from April 17, 2025 to June 13, 2025. As of June 30, 2026, December 31, 2025, and June 30, 2025, the Company had repurchased a total of 268 thousand treasury shares, at a cost of NT$28,969 thousand, NT$28,969 thousand, and NT$28,972 thousand, respectively, and the market value of the treasury shares was NT$32,026 thousand, NT$31,892 thousand, and NT$36,180 thousand, respectively.

B. In accordance with the Securities and Exchange Act, the number of shares repurchased by a company shall not exceed 10% of the total number of issued shares, and the total amount of shares repurchased shall not exceed the sum of retained earnings, share premium, and realized capital surplus.

C. The treasury shares held by the Company shall not be pledged in accordance with the Securities and Exchange Act, and shall not be entitled to shareholder rights before being transferred.

D. In accordance with the Securities and Exchange Act, shares repurchased for transfer to employees shall be transferred within five years from the repurchase date; shares not transferred within the period shall be deemed unissued shares, and change registration shall be made to cancel the shares. Shares repurchased to maintain the Company's credit and shareholders' equity shall have change registration made to cancel the shares within six months from the repurchase date.

(4) Earnings distribution and dividend policy

In accordance with the earnings distribution policy set forth in the Company's Articles of Incorporation, when distributing earnings, the Company shall first estimate and reserve the taxes payable, make up prior losses in accordance with the law, then set aside 10% as legal reserve, and thereafter set aside or reverse special reserve in accordance with laws and regulations of the competent authority. If there are still earnings after deducting the foregoing items, the Board of Directors shall prepare a proposal for the distribution of such earnings together with the unappropriated retained earnings at the beginning of the period, and submit it to the shareholders' meeting for resolution. However, a distribution of cash dividends alone may be made by a special resolution of the Board of Directors and subsequently reported to the shareholders' meeting.

In addition, in accordance with the Company's Articles of Incorporation, earnings may be distributed in the form of cash dividends or stock dividends, of which the distribution of earnings shall not be less than 35% of the distributable earnings, and cash dividends shall not be less than 20% of the total dividends distributed in that instance. The aforementioned ratios of earnings available for distribution and of cash dividends to shareholders may be adjusted by a resolution of the shareholders' meeting in light of actual profitability and financial condition.

The legal reserve shall be appropriated until its balance reaches the total paid-in capital of the Company. The legal reserve may be used to make up losses. When the Company has no losses, the portion of the legal reserve exceeding 25% of the total paid-in capital may, in addition to being capitalized, be distributed in cash.

The Company's earnings distribution for fiscal year 2024 was as follows:

| **Fiscal year 2024** | Amount | Dividend per share (NT$) |
|---|---|---|
| Legal reserve | $18,545 | |
| Special reserve | (18,029) | |
| Cash dividends | 83,433 | $2.0 |
| Stock dividends | 20,858 | 0.5 |

The above cash dividends to shareholders were resolved for distribution by the Board of Directors, and the remaining earnings distribution items were resolved at the annual general meeting of shareholders on May 12, 2025. The above stock dividends (2,086 thousand new shares issued from capitalization of earnings, par value NT$10 per share) had a capital increase record date of July 7, 2025, and the change registration was completed on July 17, 2025.

The Company's earnings distribution for fiscal year 2025, approved at the annual general meeting of shareholders on May 12, 2026, was as follows:

| **Fiscal year 2025** | Amount | Dividend per share (NT$) |
|---|---|---|
| Legal reserve | $18,955 | |
| Special reserve | 17,258 | |
| Cash dividends | 108,952 | $2.50 |

For information on employee compensation and directors' remuneration, please refer to Note 6.13.

(5) Share-based payment arrangements

Employee stock options

Information on the Company's employee stock options is as follows:

| | January 1 to June 30, 2026 | | January 1 to June 30, 2025 | |
|---|---|---|---|---|
| Employee stock options | Number (units) | Weighted-average exercise price (NT$) | Number (units) | Weighted-average exercise price (NT$) |
| Outstanding at beginning of period | 315 | 84.53 | 176 | 87.06 |
| Forfeited during the period | - | - | - | - |
| Exercised during the period | - | - | (46) | 30 |
| Outstanding at end of period | 315 | 84.53 | 130 | 105 |
| Exercisable at end of period | - | - | - | - |

As of June 30, 2026, information on the outstanding employee stock warrants is as follows: for the 185 units granted on August 20, 2025, the exercise price was NT$75 and the weighted-average remaining contractual life was 3.14 years; for the 130 units granted on October 8, 2024, the exercise price was NT$105 and the weighted-average remaining contractual life was 2.33 years.

The Company uses the Black-Scholes valuation model to value the employee stock options granted. The inputs used in the valuation model are as follows:

| | 185 units granted on Aug. 20, 2025 | 130 units granted on Oct. 8, 2024 |
|---|---|---|
| Market price at grant date | NT$109.5 / share | NT$105.00 / share |
| Exercise price | NT$75 / share | NT$105 / share |
| Expected volatility | 35.41%–42.04% | 35.80%–37.79% |
| Expected life | 4 years | 4 years |
| Expected dividend yield | 0% | 0% |
| Risk-free interest rate | 1.20%–1.22% | 1.37%–1.39% |

The compensation cost of employee stock options recognized by the Company is as follows:

| | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Compensation cost of employee stock options | $1,193 | $386 | $2,386 | $754 |

(6) Other equity items

Exchange differences on translation of the financial statements of foreign operations

These mainly represent the exchange differences arising from the translation of the net assets of foreign operations from their functional currency into the Group's presentation currency (i.e., New Taiwan dollars), which are recognized directly in other comprehensive income and accumulated under exchange differences on translation of the financial statements of foreign operations. The exchange differences previously accumulated under this item are reclassified to profit or loss upon the disposal or partial disposal of a foreign operation.

## 12. Operating Revenue

(1) Disaggregation of revenue

The Group's revenue from contracts with customers for the six months ended June 30, 2026 and 2025 can be disaggregated by major region/product as follows:

| | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| AIoT smart Internet-of-Things application cable assemblies | $532,359 | $256,260 | $929,770 | $509,288 |
| Computer and consumer electronics cable assemblies | 77,125 | 196,947 | 159,284 | 343,595 |
| Engineering plastic functional materials | 188,049 | 113,964 | 332,998 | 219,298 |
| Other—cable assemblies | 104,561 | 80,771 | 192,433 | 154,325 |
| Total | $902,094 | $647,942 | $1,614,485 | $1,226,506 |

| | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Timing of revenue recognition: | | | | |
| At a point in time | $902,094 | $647,942 | $1,614,485 | $1,226,506 |
| Over time | - | - | - | - |
| Total | $902,094 | $647,942 | $1,614,485 | $1,226,506 |

| | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Revenue from contracts with customers | | | | |
| Revenue from sales of goods | $902,088 | $647,290 | $1,610,419 | $1,224,864 |
| Compensation income from order cancellations | 6 | 652 | 4,066 | 1,642 |
| Total | $902,094 | $647,942 | $1,614,485 | $1,226,506 |

In accordance with commercial practice, for the Group's sales of various types of cables for smart IoT, cloud computing, industrial control, medical, and automotive applications, the Group estimates discount amounts at the most likely amount, taking into account the transaction records of certain sales customers over the past year, and recognizes refund liabilities accordingly (recorded under other current liabilities).

(2) Contract balances

| | June 30, 2026 | December 31, 2025 | June 30, 2025 | January 1, 2025 |
|---|---|---|---|---|
| Contract liabilities—current | $13,871 | $913 | $1,966 | $1,042 |

The Group's contract liabilities mainly arise from advance payments received from customers. The changes in the balances across periods are mainly affected by the timing of customers' advance payments and subsequent performance. As the amount of contract liabilities is not material to the Group's financial statements, the analysis of beginning contract liabilities recognized as revenue and of changes is not disclosed.

## 13. Summary of Employee Benefits, Depreciation, and Amortization Expenses by Function

A summary by function of the employee benefits, depreciation, and amortization expenses incurred by the Group for the six months ended June 30, 2026 and 2025 is as follows:

| **Three months ended June 30** | 2026 | | | 2025 | | |
|---|---|---|---|---|---|---|
| By nature | In operating costs | In operating expenses | Total | In operating costs | In operating expenses | Total |
| Employee benefit expenses | $92,957 | $88,286 | $181,243 | $73,123 | $63,356 | $136,479 |
| Depreciation expenses | 14,948 | 7,429 | 22,377 | 10,058 | 6,587 | 16,645 |
| Amortization expenses | 1,614 | 874 | 2,488 | 1,673 | 1,039 | 2,712 |

| **Six months ended June 30** | 2026 | | | 2025 | | |
|---|---|---|---|---|---|---|
| By nature | In operating costs | In operating expenses | Total | In operating costs | In operating expenses | Total |
| Employee benefit expenses | $164,226 | $167,757 | $331,983 | $134,535 | $127,895 | $262,430 |
| Depreciation expenses | 29,004 | 14,713 | 43,717 | 20,282 | 11,467 | 31,749 |
| Amortization expenses | 3,211 | 1,893 | 5,104 | 3,367 | 2,108 | 5,475 |

Based on the pre-tax profit for the year before deducting the distribution of employee compensation and directors' remuneration, and after reserving for the offsetting of accumulated losses, the Company shall, if there is a profit, appropriate 2% to 10% as employee compensation and no more than 2% as directors' remuneration. Pursuant to the August 2024 amendment to the Securities and Exchange Act, the Company amended its Articles of Incorporation at the

2025 shareholders' meeting to stipulate that no less than 15% of the aforementioned employee compensation shall be distributed to entry-level employees.

The employee compensation and directors' remuneration estimated by the Company for the three months and six months ended June 30, 2026 and 2025 are as follows:

| Estimated ratio | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Employee compensation | 4.11% | 4.00% | 4.01% | 4.00% |
| Directors' remuneration | 1.79% | 1.23% | 1.69% | 1.42% |

| Amount | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Employee compensation | $5,708 | $1,664 | $9,159 | $4,106 |
| Directors' remuneration | $2,493 | $514 | $3,859 | $1,465 |

The employee compensation and directors' remuneration for fiscal years 2025 and 2024 were resolved by the Board of Directors on March 12, 2026 and March 13, 2025, respectively, as follows:

| Amount | Fiscal year 2025 | Fiscal year 2024 |
|---|---|---|
| Employee compensation (cash) | $9,741 | $8,449 |
| Directors' remuneration (cash) | 3,562 | 3,748 |

If the amounts change after the date of approval and issuance of the annual consolidated financial statements, the changes are accounted for as changes in accounting estimates and adjusted in the following year. For the above years, there was no material difference between the actual distribution of the Company's directors' and employees' compensation and the estimated amounts of the payables for directors' and employees' compensation.

## 14. Non-operating Income and Expenses

(1) Interest income

| | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Interest income on bank deposits | $1,865 | $608 | $2,491 | $2,164 |
| Interest income on financial assets measured at amortized cost | 2,714 | 1,669 | 4,366 | 2,547 |
| Total | $4,579 | $2,277 | $6,857 | $4,711 |

(2) Other gains and losses

| | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Net gain (loss) on disposal of property, plant and equipment | (15) | (10) | 341 | 345 |
| Loss on disposal of right-of-use assets | - | 40 | - | (1,402) |
| Net gains on financial assets and liabilities at fair value through profit or loss (see Note 6.2) | 5,156 | 7,807 | 7,366 | 6,980 |
| Net foreign exchange gain (loss) | (1,284) | (38,497) | 1,846 | (31,808) |
| Others | (48) | 10 | (107) | (436) |
| Total | 3,809 | (30,650) | 9,446 | (26,321) |

(3) Finance costs

| | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Interest on lease liabilities | $100 | $135 | $217 | $309 |
| Interest on bank borrowings | 3,425 | 1,835 | 6,320 | 2,547 |
| Interest expense on corporate bonds | 4,325 | - | 4,892 | - |
| Total | $7,850 | $1,970 | $11,429 | $2,856 |

**15. Income Tax**

The main components of income tax expense for the six months ended June 30, 2026 and 2025 are as follows:

Income tax recognized in profit or loss

| | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Current income tax expense: | | | | |
| Current income tax payable | $43,695 | $17,149 | $61,528 | $31,530 |
| Surtax on undistributed earnings | 2,219 | 4,053 | 2,219 | 4,053 |
| Adjustments for prior years | (6,177) | (5,148) | (6,177) | (5,176) |
| Deferred income tax benefit: | | | | |
| Deferred tax benefit related to the origination and reversal of temporary differences | (10,786) | (8,160) | (6,993) | (8,165) |
| Income tax expense | $28,951 | $7,894 | $50,577 | $22,242 |

The income tax rate applicable to the Company under the Income Tax Act of the Republic of China is 20%, and the tax rate applicable to undistributed earnings is 5%.

The applicable tax rate for subsidiaries in mainland China is 25%; however, in accordance with the local Enterprise Income Tax Law, if a subsidiary obtains a High and New Technology Enterprise certificate jointly issued by the local tax bureau, finance department, and science and technology department, it may apply a preferential enterprise income tax rate, under which the rate is reduced from 25% to 15%. The High and New Technology Enterprise certificate is subject to re-examination and reissuance every three years.

Ji An VSO Electronics Co., Ltd. obtained High and New Technology Enterprise recognition in China in November 2022 and December 2025, so the applicable rate for 2022 to 2028 is 15%.

VSO Electronics (Suzhou) Co., Ltd. and Zhangjiagang Free Trade Zone Linkupon Material Trading Limited Company are eligible for the inclusive income tax reduction policy for small and low-profit enterprises, and the applicable rate for each such company for fiscal years 2026 and 2025 is 5%.

Tax amounts arising in other jurisdictions are calculated at the applicable tax rates of the respective jurisdictions (the Vietnam income tax rate is 20%; Samoa is exempt from various taxes).

Income tax recognized in other comprehensive income

The Group had no income tax recognized in other comprehensive income for the six months ended June 30, 2026 and 2025.

Status of income tax assessments

As of June 30, 2026, the status of the income tax assessments of the Company and its Taiwan subsidiary, Linkupon International, is as follows: the Company—assessed through fiscal year 2024; Linkupon International—assessed through fiscal year 2024.

The Company's subsidiaries are located in the People's Republic of China, Vietnam, and Samoa. The local tax authorities do not proactively issue assessment notices to the enterprises; they issue payment notices for the relevant years only when there are tax disputes, and reserve the right to impose additional taxes on the enterprises.

**16. Earnings Per Share**

The basic earnings per share is calculated by dividing the net income attributable to common shareholders of the parent for the period by the weighted-average number of common shares outstanding during the period.

The diluted earnings per share is calculated by dividing the net income attributable to common shareholders of the parent for the period by the weighted-average number of common shares outstanding during the period plus the weighted-average number of common shares that would be issued upon the conversion of all dilutive potential common shares into common shares.

| | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Basic earnings per share | | | | |
| Net income attributable to common shareholders of the parent (in thousands) | $110,484 | $33,901 | $179,149 | $80,757 |
| Weighted-average number of common shares—retrospectively adjusted (in thousands) | 43,581 | 43,681 | 43,581 | 43,747 |
| Basic earnings per share (NT$) | $2.54 | $0.78 | $4.11 | $1.85 |

| | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Diluted earnings per share | | | | |
| Net income used to compute basic earnings per share | $110,484 | $33,901 | $179,149 | $80,757 |
| Effect of dilutive potential common shares: | | | | |
| After-tax net profit of convertible bonds (including gains and losses on fair value changes of derivatives) | (2,913) | - | (2,913) | - |
| Net income used to compute diluted earnings per share (in thousands) | $107,571 | $33,901 | $176,236 | $80,757 |
| Weighted-average number of common shares for basic EPS (in thousands) | $43,581 | $43,681 | $43,581 | $43,747 |
| Dilutive effect: | | | | |
| Convertible bonds (in thousands) | 3,638 | - | 2,090 | - |
| Employee stock options (in thousands) | 50 | 39 | 50 | 45 |
| Employee compensation—stock (in thousands) | 77 | 32 | 112 | 57 |
| Weighted-average number of common shares after adjusting for dilutive effect (in thousands) | $47,346 | $43,752 | $45,833 | $43,849 |
| Diluted earnings per share (NT$) | $2.27 | $0.77 | $3.85 | $1.84 |

## 17. Supplementary Cash Flow Information

Reconciliation of the acquisition of property, plant and equipment for the six months ended June 30, 2026:

| | Jan. 1 to Jun. 30, 2026 |
|---|---|
| Acquisition of property, plant and equipment (net of government grants) | ($111,774) |
| Increase in prepayments for equipment | (956) |
| Change in payables for equipment | (20,037) |
| Total | ($132,767) |

Non-cash financing activities:

| | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|
| Cash dividends declared but not yet paid | $108,952 | $83,433 |

## VII. Related-Party Transactions

Transactions, account balances, income and expenses between the Company and its subsidiaries are fully eliminated on consolidation and are therefore not disclosed in this note. Except as disclosed in other notes, the significant transactions between the Group and other related parties are as follows:

### Names, abbreviations, and relationships of related parties

| Name and abbreviation of related party | Relationship with the Group |
|---|---|
| Advantech Co., Ltd. | Parent company of a significant investor |
| Advantech Technology (China) Co., Ltd. | Subsidiary of a significant investor |
| Beijing Yan Hua Xing Ye Electronic Science & Technology Co., Ltd. | Affiliated entity of the investor with significant influence |
| Advantech Corporation (U.S.A.) | Affiliated company of a significant investor |
| Advantech Europe B.V. | Affiliated company of a significant investor |
| LINK UPON ADVANCED MATERIAL CORP. | Significant investor of a subsidiary (LINKUPON INTERNATIONAL LIMITED) |
| Zhang Jia Gang Free Trade Zone Mitsui LinkUpon Advanced Material, Inc. | Affiliate of a subsidiary |
| I-SHENG Electric Wire & Cable Company (Vietnam) | Substantial related party (Note) |

Note: I-SHENG Electric Wire & Cable Company (Vietnam) is an entity wholly (100%) owned by I-SHENG Industrial Co., Ltd., a corporate director of the Company. However, at the shareholders' meeting on May 12, 2025, the Company re-elected all directors, and after the re-election I-SHENG Industrial Co., Ltd. no longer serves as a director of the Company. Therefore, from that date, I-SHENG Electric Wire & Cable Company (Vietnam) is no longer a substantial related party of the Company.

### Significant transactions with related parties

1. Operating revenue

| | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Parent company of a significant investor | | | | |
| Advantech Co., Ltd. | $16,629 | $16,634 | $27,435 | $28,214 |
| Subsidiary of a significant investor | | | | |
| Advantech Technology (China) Co., Ltd. | 25,023 | 23,953 | 45,025 | 44,406 |
| Associate of a significant investor | 201 | 44 | 334 | 124 |
| Significant investor of a subsidiary | | | | |
| LINK UPON ADVANCED MATERIAL CORP. | - | - | 306 | - |
| Total | $41,853 | $40,631 | $73,100 | $72,744 |

The transaction prices and credit terms for sales to related parties do not differ significantly from those for non-related parties. Where specifications are special and there are no other comparable transactions of the same kind, the sales are conducted at prices mutually agreed by both parties.

2. Purchases

| | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Significant investor of a subsidiary | | | | |
| LINK UPON ADVANCED MATERIAL CORP. | $101 | $204 | $809 | $748 |

The transaction prices and credit terms for purchases from related parties do not differ significantly from those for non-related parties.

3. Accounts receivable from related parties

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Parent company of a significant investor | | | |
| Advantech Co., Ltd. | $18,990 | $12,808 | $20,270 |
| Subsidiary of a significant investor | | | |
| Advantech Technology (China) Co., Ltd. | 33,740 | 24,709 | 29,737 |
| Associate of a significant investor | 37 | 23 | 54 |
| Total | $52,767 | $37,540 | $50,061 |

The collection period for transactions with related parties is 30 to 120 days from the end of the month. The outstanding receivables from related parties are unsecured, and no loss allowance was recognized for receivables from related parties as of June 30, 2026, December 31, 2025, and June 30, 2025.

4. Lease expense

| | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|
| Affiliate of a subsidiary | $4 | $9 |
| Substantial related party | 4,605 | 9,490 |
| Total | $4,609 | $9,499 |

| Rent payable | June 30, 2025 |
|---|---|
| Substantial related party | $1,460 |

The Group leases a factory from a substantial related party for a lease term of one year, with reference to the rent levels of similar assets, and pays fixed lease payments monthly in accordance with the lease agreement. As noted above, this substantial related party ceased to be a related party from May 12, 2025.

**Compensation of the Group's key management personnel**

| | Apr. 1 to Jun. 30, 2026 | Apr. 1 to Jun. 30, 2025 | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|---|---|
| Short-term employee benefits | $14,371 | $10,456 | $27,165 | $21,987 |
| Share-based payment | 130 | 161 | 259 | 339 |
| Post-employment benefits | 319 | 342 | 658 | 727 |
| Total | $14,820 | $10,959 | $28,082 | $23,053 |

The remuneration of directors and other key management personnel is determined by the Remuneration Committee based on individual performance and market trends.

## VIII. Pledged Assets

The following assets have been provided as collateral for the Group's short-term bank borrowings:

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Land | $25,532 | $25,532 | $25,532 |
| Buildings | 99,516 | 106,176 | 99,638 |
| Land-use rights | 1,931 | 1,873 | 1,723 |
| Total | $126,979 | $133,581 | $126,893 |

## IX. Significant Contingent Liabilities and Unrecognized Contractual Commitments

Except as described in other notes, the Group's unrecognized contractual commitments at the balance sheet dates are as follows:

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Acquisition of property, plant and equipment | $128,290 | $199,362 | $286,032 |
| Acquisition of intangible assets | 422 | - | 1,575 |
| Total | $128,712 | $199,362 | $287,607 |

## X. Significant Disaster Losses

None.

## XI. Significant Subsequent Events

None.

## XII. Other

### 1. Categories of financial instruments

Financial assets

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Financial assets at fair value through profit or loss | $16,759 | $5,133 | $5,095 |
| Financial assets measured at amortized cost (Note 1) | 2,239,956 | 1,671,645 | 1,488,260 |

Financial liabilities

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Financial liabilities at fair value through profit or loss | $3,141 | $1,904 | - |
| Financial liabilities measured at amortized cost (Note 2) | 1,742,598 | 1,031,008 | 792,920 |
| Lease liabilities | 13,787 | 16,724 | 12,208 |

Note 1: The balance includes financial assets measured at amortized cost, such as cash and cash equivalents, financial assets measured at amortized cost, accounts receivable, notes receivable, accounts receivable—related parties, other receivables, and refundable deposits.

Note 2: The balance includes financial liabilities measured at amortized cost, such as short-term borrowings, convertible bonds, accounts payable, accounts payable—related parties, other payables, other payables—related parties, and long-term borrowings.

### 2. Financial risk management objectives and policies

The Group’s financial risk management objectives are mainly to manage the market risk, credit risk, and liquidity risk related to its operating activities. The Group identifies, measures, and manages the aforementioned risks in accordance with the Group’s policies and risk appetite.

Risk management is carried out by the Group’s finance department in accordance with policies approved by the Board of Directors. The Group’s finance department, through close cooperation with the Group’s operating units, is responsible for identifying, evaluating, and hedging financial risks. The Board of Directors has established written principles for overall risk management, and also provides written policies for specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and the investment of surplus liquid funds.

### 3. Market risk

The Group’s market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk mainly includes foreign exchange risk, interest rate risk, and price risk.

In practice, it is rare for a single risk variable to change in isolation, and the changes in risk variables are usually correlated; however, the sensitivity analysis of each risk below does not take into account the interaction of related risk variables.

*Foreign exchange risk*

The Group is exposed to the effect of exchange rate fluctuations because its business involves certain non-functional currencies (the functional currency of the Company is the New Taiwan dollar, and the functional currency of the subsidiaries is the Renminbi). Part of the currencies of the Group’s foreign-currency receivables and payables are the same (mainly the U.S. dollar); in such cases, a substantial part of the positions produces a natural hedging effect, so hedge accounting is not applied. In addition, the net investment in foreign operations is a strategic investment, and therefore the Group does not hedge it.

*Sensitivity analysis*

As stated above, the Group is mainly affected by fluctuations in the U.S. dollar exchange rate. The following table details the Group’s sensitivity analysis when the New Taiwan dollar (functional currency) appreciates or depreciates by 1% against each relevant foreign currency. A positive number indicates the amount by which profit before tax would increase when the New Taiwan dollar depreciates 1% against the relevant currency; when the New Taiwan dollar appreciates 1%, the impact on profit before tax would be a negative amount of the same magnitude.

| Impact of the U.S. dollar | Jan. 1 to Jun. 30, 2026 | Jan. 1 to Jun. 30, 2025 |
|---|---|---|
| Profit or loss | $5,513 | $5,585 |

(i) This mainly arises from U.S. dollar-denominated bank deposits, receivables, bank borrowings, and payables that were outstanding at the balance sheet date and not subject to cash flow hedging.

(ii) The Group's sensitivity to exchange rates increased during the period, mainly due to the increase in U.S. dollar-denominated net foreign-currency assets.

*Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Group manages interest rate risk by maintaining an appropriate mix of fixed and floating interest rates. The carrying amounts of the Group's financial assets and financial liabilities exposed to interest rate risk at the balance sheet dates are as follows:

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| With fair value interest rate risk | | | |
| —Financial assets | $866,556 | $504,819 | $428,647 |
| —Financial liabilities | 651,953 | 141,018 | 70,654 |
| With cash flow interest rate risk | | | |
| —Financial assets | $304,231 | $221,321 | $206,880 |
| —Financial liabilities | 154,287 | 228,778 | 192,749 |

If interest rates increased/decreased by 1%, with all other variables held constant, the Group's profit before tax for the six months ended June 30, 2026 and 2025 would increase/decrease by NT$1,499 thousand and NT$71 thousand, respectively.

*Other price risk*

The Group is exposed to commodity price risk arising from its investments in fund beneficiary certificates. However, as the Group periodically evaluates price risk and investment performance in accordance with its procedures for the acquisition and disposal of assets, no material price risk is expected to occur.

**4. Credit risk management**

Credit risk is the risk that a counterparty will be unable to perform its obligations under the contract and cause a financial loss. The Group's credit risk mainly arises from operating activities (mainly accounts receivable and notes receivable).

The Group's basis for determining whether the credit risk of a financial instrument has increased significantly since initial recognition: when the contractual payment is past due for more than 120 days under the agreed payment terms, the credit risk of the financial asset is deemed to have increased significantly since initial recognition. The Group considers a default to have occurred when the contractual payment is past due for more than 120 days under the agreed payment terms.

The Group groups accounts receivable from customers according to the characteristics of trade credit risk and estimates expected credit losses using the loss rate method under the simplified approach. For the provision matrix used to estimate the loss allowance for accounts receivable, established based on historical and current information for specific periods, and the movement in the loss allowance for accounts receivable under the simplified approach, please refer to Note 6.4.

**5. Liquidity risk management**

The Group maintains financial flexibility through cash and cash equivalents, highly liquid marketable securities, bank borrowings, and lease contracts. The following table summarizes the maturity of the contractual payments of the Group's financial liabilities, prepared based on the earliest date on which repayment may be required and on their undiscounted cash flows, and the amounts listed also include contractual interest. The following table analyzes the Group's non-derivative financial liabilities by relevant maturity, based on the remaining period from the balance sheet date to the contractual maturity date. The contractual cash flow amounts disclosed are undiscounted amounts.

| June 30, 2026 – Non-derivative financial liabilities | Less than 1 year | 1 to 5 years | Total |
|---|---|---|---|
| Non-interest-bearing liabilities | $950,145 | - | $950,145 |
| Floating-rate instruments | 154,287 | - | 154,287 |
| Fixed-rate instruments | - | 687,339 | 687,339 |
| Lease liabilities | 9,890 | 3,897 | 13,787 |
| Total | $1,114,322 | $691,236 | $1,805,558 |

| December 31, 2025 – Non-derivative financial liabilities | Less than 1 year | 1 to 5 years | Total |
|---|---|---|---|
| Non-interest-bearing liabilities | $677,936 | - | $677,936 |
| Floating-rate instruments | 228,778 | - | 228,778 |
| Fixed-rate instruments | 500 | 125,790 | 126,290 |
| Lease liabilities | 9,618 | 7,469 | 17,087 |
| Total | $916,832 | $133,259 | $1,050,091 |

| June 30, 2025 – Non-derivative financial liabilities | Less than 1 year | 1 to 5 years | Total |
|---|---|---|---|
| Non-interest-bearing liabilities | $541,725 | - | $541,725 |
| Floating-rate instruments | 194,924 | - | 194,924 |
| Fixed-rate instruments | 369 | 59,250 | 59,619 |
| Lease liabilities | 7,436 | 6,578 | 14,014 |
| Total | $744,454 | $65,828 | $810,282 |

*Credit facilities*

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Bank borrowings—unused credit lines | $552,760 | $684,400 | $406,591 |

## 6. Reconciliation of liabilities arising from financing activities

| | Short-term borrowings | Long-term borrowings | Lease liabilities | Convertible bonds |
|---|---|---|---|---|
| January 1, 2026 | $228,778 | $124,294 | $16,724 | - |
| Cash flows | (75,017) | 112,779 | (5,001) | 487,559 |
| Non-cash changes | 526 | 266 | 2,064 | (86,732) |
| June 30, 2026 | $154,287 | $237,339 | $13,787 | $400,827 |

| | Short-term borrowings | Long-term borrowings | Lease liabilities | Total liabilities from financing activities |
|---|---|---|---|---|
| January 1, 2025 | $34,750 | $9,853 | $16,413 | $61,016 |
| Cash flows | 163,633 | 49,249 | (4,320) | 208,562 |
| Non-cash changes | (5,634) | (656) | 115 | (6,175) |
| June 30, 2025 | $192,749 | $58,446 | $12,208 | $263,403 |

## 7. Fair value information

(1) Definition of fair value hierarchy

All assets and liabilities measured or disclosed at fair value are classified into the fair value hierarchy based on the lowest level input that is significant to the overall fair value measurement. The inputs at each level are as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities available at the measurement date. The fair value of the Group's investments in listed and OTC stocks falls into this level.

Level 2: Inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability. The Group's wealth-management products fall into this level.

(2) Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, financial assets measured at amortized cost, notes receivable, accounts receivable (including related parties), other receivables (including related parties), short-term borrowings, notes payable (including related parties), accounts payable (including related parties), and other payables (including related parties) are reasonable approximations of their fair values.

(3) Financial instruments measured at fair value are classified by the Group based on the nature, characteristics, and risks of the assets and liabilities and on the fair value hierarchy, as follows:

| June 30, 2026 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Recurring fair value measurements: | | | | |
| Financial assets at FVPL—current: fund beneficiary certificates | $5,171 | - | - | $5,171 |
| Financial liabilities at FVPL—current: derivative—forward exchange contracts | - | $40 | - | $40 |

| December 31, 2025 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Recurring fair value measurements: | | | | |
| Financial assets at FVPL—current: fund beneficiary certificates | $5,133 | - | - | $5,133 |
| Financial liabilities at FVPL—current: derivative—forward exchange contracts | - | $1,904 | - | $1,904 |

| June 30, 2025 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Recurring fair value measurements: | | | | |
| Financial assets at FVPL—current: fund beneficiary certificates | $5,095 | - | - | $5,095 |
| Financial liabilities at FVPL—current: derivative—forward exchange contracts | - | - | - | - |

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

(a) The fund investments held by the Company are traded in an active market, and their fair value is measured at the net asset value per unit available at the measurement date, which falls into Level 1 of the fair value hierarchy.

(b) Except for the financial instruments with an active market mentioned above, the fair values of other financial instruments are obtained using valuation techniques. The fair values obtained using valuation techniques may be obtained by reference to the valuation techniques of other financial instruments with substantially similar terms and characteristics.

(4) There were no transfers between Level 1 and Level 2 for the six months ended June 30, 2026 and 2025.

## 8. Capital management

The primary objective of the Group's capital management is to ensure the maintenance of a sound credit rating and good capital ratios to support the Group's operations and maximize shareholders' equity. For the relevant debt and capital ratios, please refer to the balance sheets for each period.

## 9. Information on significant foreign-currency assets and liabilities

The following information is presented in aggregate by foreign currency other than the functional currency of each entity of the Group; the exchange rates disclosed refer to the rates for translating such foreign currencies into the functional currency. Information on significant foreign-currency financial assets and liabilities is as follows:

| **June 30, 2026** | Foreign currency | Exchange rate | Carrying amount |
|---|---|---|---|
| Financial assets | | | |
| Monetary items | | | |
| USD | 40,336 | 31.85 | $1,284,702 |
| Non-monetary items | | | |
| Associates accounted for using the equity method | | | |
| RMB | 11,421 | 4.69 | $53,564 |
| Financial liabilities | | | |
| Monetary items | | | |
| USD | 23,027 | 31.85 | $733,410 |

| **December 31, 2025** | Foreign currency | Exchange rate | Carrying amount |
|---|---|---|---|
| Financial assets | | | |
| Monetary items | | | |
| USD | 34,899 | 31.42 | $1,096,538 |
| Non-monetary items | | | |
| Associates accounted for using the equity method | | | |
| RMB | 11,125 | 4.496 | $50,019 |
| Financial liabilities | | | |
| Monetary items | | | |
| USD | 16,265 | 31.42 | $511,052 |

| **June 30, 2025** | Foreign currency | Exchange rate | Carrying amount |
|---|---|---|---|
| Financial assets | | | |
| Monetary items | | | |
| USD | 26,023 | 29.28 | $761,996 |
| Non-monetary items | | | |
| Associates accounted for using the equity method | | | |
| RMB | 10,799 | 4.09 | $44,167 |
| Financial liabilities | | | |
| Monetary items | | | |
| USD | 6,947 | 29.28 | $203,420 |

The Group's net foreign exchange gains (losses) for the three months ended June 30, 2026 and 2025 and the six months ended June 30, 2026 and 2025 were a net loss of NT$1,284 thousand, a net loss of NT$38,497 thousand, a net gain of NT$1,846 thousand, and a net loss of NT$31,808 thousand, respectively. As there are many types of foreign-currency transactions, it is not practicable to disclose the exchange gains or losses by each significant foreign currency.

## XIII. Notes to the Financial Statements (Disclosure Items)

1. Information on significant transactions

(1) Loans to others: please refer to Schedule 1.

(2) Endorsements and guarantees for others: please refer to Schedule 2.

(3) Marketable securities held at the end of the period (excluding investments in subsidiaries and associates): please refer to Schedule 3.

(4) Purchases from or sales to related parties reaching NT$100 million or 20% or more of paid-in capital: please refer to Schedule 4.

(5) Receivables from related parties reaching NT$100 million or 20% or more of paid-in capital: please refer to Schedule 5.

(6) Others: the business relationships and significant transactions and amounts between the parent and its subsidiaries and among the subsidiaries: please refer to Schedule 6.

2. Information on investees: please refer to Schedule 7.

3. Information on investments in mainland China

(1) Basic information: please refer to Schedule 8.

(2) Significant transactions with investees in mainland China conducted directly or indirectly through a third region: please refer to Schedules 4, 5, and 6.

A. Amount and percentage of purchases and the ending balance and percentage of related payables.

B. Amount and percentage of sales and the ending balance and percentage of related receivables.

C. Amount of property transactions and the resulting gains or losses.

D. Ending balance of endorsements, guarantees, or collateral provided and their purposes.

E. Maximum balance, ending balance, interest rate range, and total interest for the period of financing.

F. Other transactions that have a material effect on current profit or loss or financial position, such as the provision or receipt of services.

## XIV. Segment Information

The information provided to the chief operating decision maker for the allocation of resources and the assessment of segment performance focuses on the type of each product or service delivered or provided. The Group's reportable segments are as follows:

| **Jan. 1 to Jun. 30, 2026** | Cable assembly segment | Engineering plastics segment | Total |
|---|---|---|---|
| Revenue from external customers | $1,281,487 | $332,998 | $1,614,485 |
| Inter-segment revenue | 991,024 | 92,131 | 1,083,155 |
| Segment revenue | 2,272,511 | 425,129 | 2,697,640 |
| Intra-group elimination | (991,024) | (92,131) | (1,083,155) |
| Consolidated revenue | $1,281,487 | $332,998 | $1,614,485 |
| Segment profit or loss | $201,810 | $24,548 | $226,358 |
| Directors' remuneration | | | (3,859) |
| Interest income | | | 6,857 |
| Other income | | | 8,184 |
| Other gains and losses | | | 9,446 |
| Finance costs | | | (11,429) |
| Share of profit of associates accounted for under the equity method | | | 3,189 |
| Profit before tax | | | $238,746 |

| **Jan. 1 to Jun. 30, 2025** | Cable assembly segment | Engineering plastics segment | Total |
|---|---|---|---|
| Revenue from external customers | $1,007,208 | $219,298 | $1,226,506 |
| Inter-segment revenue | 684,639 | 52,591 | 737,230 |
| Segment revenue | 1,691,847 | 271,889 | 1,963,736 |
| Intra-group elimination | (684,639) | (52,591) | (737,230) |
| Consolidated revenue | $1,007,208 | $219,298 | $1,226,506 |
| Segment profit or loss | $113,130 | $18,272 | $131,402 |
| Directors' remuneration | | | (1,465) |
| Interest income | | | 4,711 |
| Other income | | | 3,043 |
| Other gains and losses | | | (26,321) |
| Finance costs | | | (2,856) |
| Share of profit of associates accounted for under the equity method | | | 888 |
| Profit before tax | | | $109,402 |

Inter-segment sales are priced at market prices.

Segment profit represents the profit earned by each segment, excluding the allocation of head-office management costs, directors' remuneration, the share of profit or loss of associates accounted for using the equity method, other income, net foreign exchange gains (losses), gains or losses on the valuation of financial instruments, finance costs, and income tax expense. This measurement is provided to the chief operating decision maker for the allocation of resources to segments and the assessment of their performance.

**Total segment assets and liabilities**

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Segment assets | | | |
| Cable assembly segment | $3,347,808 | $2,502,275 | $2,214,725 |
| Engineering plastics segment | 407,487 | 404,385 | 306,421 |
| Total consolidated assets | $3,755,295 | $2,906,660 | $2,521,146 |

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Segment liabilities | | | |
| Cable assembly segment | ($1,739,917) | ($1,093,935) | ($958,004) |
| Engineering plastics segment | (185,365) | (161,892) | (97,597) |
| Total consolidated liabilities | ($1,925,282) | ($1,255,827) | ($1,055,601) |

The Group's operating segment assets are measured on the basis of controllable assets. Liabilities are allocated by taking into account the company-wide cost of capital and funding requirements, and are not controllable by individual operating segments; therefore, they are not included in the basis for evaluating segment management performance.

## VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES

### Schedule 1 Loans to Others

For the six months ended June 30, 2026

(Expressed in thousands of New Taiwan dollars unless otherwise stated)

| No. | Company providing the loan | Counterparty | Account | Related party | Highest balance for the period | Ending balance | Actual amount drawn | Interest rate (%) | Nature of loan (Note 1) | Amount of business transactions | Reason for short-term financing | Allowance for doubtful accounts | Collateral (Name / Value) | Loan limit for individual party (Note 2) | Total loan limit (Note 2) | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 0 | VSO ELECTRONICS CO., LTD. | VSO (Viet Nam) Electronics Co., LTD. | Other receivables–related parties | Yes | $28,665 | $28,665 | $28,665 | 4.83 | 1 | $328,195 | Business transactions | $- | None / $- | $164,097 | $696,466 | Note 4 |
| 0 | VSO ELECTRONICS CO., LTD. | VSOVN ELECTRONICS (HANOI) COMPANY LIMITED | Other receivables–related parties | Yes | $63,700 | $63,700 | $- | 0.00 | 2 | $- | Operating turnover | $- | None / $- | $696,466 | $696,466 | |

Note 1: The nature of the loan is indicated as follows: (1) for those with business transactions; (2) for those with a need for short-term financing.

Note 2: The total amount of the Company's loans to others shall not exceed 40% of the Company's net worth. For loans to an individual party based on business transactions, the amount is limited to 50% of the amount of business transactions between the two parties.

Note 3: In accordance with the Company's procedures for lending funds to others, the amount of loans to others is based on the net worth per the most recent financial statements audited or reviewed by the independent auditors.

Note 4: Intra-group transactions have been fully eliminated in the preparation of the consolidated financial statements.

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**VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES**

**Schedule 2 Endorsements and Guarantees for Others**

For the six months ended June 30, 2026

(Expressed in thousands of New Taiwan dollars unless otherwise stated)

| No. | Endorser / guarantor | Guaranteed party (Name) | Relationship | Limit per party (Note 1) | Highest balance for the period (Note 1) | Ending balance (Note 1) | Actual amount drawn (Note 1) | Amount secured by property | Ratio of accumulated amount to net worth | Max. guarantee limit (Note 1) | Parent to subsidiary | Subsidiary to parent | To mainland China | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 0 | VSO ELECTRONICS CO., LTD. | VSO (Viet Nam) Electronics Co., LTD. | A company more than 50% of whose voting shares are directly and indirectly held | $696,466 | $175,175 | $143,325 | $53,569 | $- | 8.23% | $1,392,932 | Y | N | N | |
| | | LINKUPON INTERNATIONAL LIMITED | A company more than 50% of whose voting shares are directly and indirectly held | 522,350 | 150,000 | 150,000 | 150,000 | - | 8.61% | 1,392,932 | Y | N | N | |
| | | Hongjun Energy Co., Ltd. (in preparation) (Note 2) | A company more than 50% of whose voting shares are directly and indirectly held | 522,350 | 30,000 | - | - | - | - | - | Y | N | N | |

Note 1: The total amount of endorsements and guarantees provided by the Company and its subsidiaries to external parties shall not exceed 80% of the net worth per the most recent financial statements of each company. The Company's guarantee to a single subsidiary is limited to 30% of the net worth per the most recent financial statements of each company; the guarantee to a single subsidiary whose voting shares are 100% directly and indirectly held is limited to 40% of the net worth per its most recent financial statements.

Note 2: On August 11, 2025, the Board of Directors resolved that, to assist the new-energy subsidiary "Hongjun Energy Co., Ltd." (in preparation) in obtaining a bank credit line, the Company would provide an endorsement/guarantee of NT$30,000 thousand, to be used only after the subsidiary is formally established. On March 12, 2026, the Board resolved to cancel the establishment of the subsidiary and to cancel this guarantee line; as of December 31, 2025 the subsidiary had not been established.

Note 3: In accordance with the Company's procedures for endorsements and guarantees, the amount is based on the net worth per the most recent financial statements audited or reviewed by the independent auditors.

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## VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES

## Schedule 3 Marketable Securities Held at the End of the Period

For the six months ended June 30, 2026

(Expressed in thousands of New Taiwan dollars unless otherwise stated)

| Company holding | Type and name of securities | Relationship with the issuer | Account | Shares/units | Carrying amount | Shareholding ratio | Fair value | Note |
|---|---|---|---|---|---|---|---|---|
| VSO ELECTRONICS CO., LTD. | Bonds under repurchase agreement – P09 KGI Life 1 (Note 1) | None | Financial assets measured at amortized cost–current | - | $578,000 | - | $578,000 | |
| | Bonds under repurchase agreement – P06 TWLife 1 (Note 1) | None | Financial assets measured at amortized cost–current | - | 220,000 | - | 220,000 | |

Note 1: The collateral for the bonds under repurchase agreements consists of the 2020 first unsecured perpetual cumulative subordinated corporate bonds of KGI Life Insurance Co., Ltd. and the 2017 first unsecured perpetual cumulative subordinated corporate bonds of Taiwan Life Insurance Co., Ltd.

Note 2: The disclosure threshold for significant transaction amounts is 1% or more of total assets.

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## VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES

## Schedule 4 Purchases from or Sales to Related Parties Reaching NT$100 Million or 20% of Paid-in Capital or More

For the six months ended June 30, 2026

(Expressed in thousands of New Taiwan dollars unless otherwise stated)

| Company making purchase/sale | Counterparty | Relationship | Transaction type | Amount | % of total purchases/sales | Credit period | Differences from ordinary transactions and reasons: Unit price / Credit period | Notes/accounts receivable (payable): Balance | % of total notes/accounts receivable (payable) | Note |
|---|---|---|---|---|---|---|---|---|---|---|
| VSO ELECTRONICS CO., LTD. | Ji An VSO Electronics Co., LTD. | Subsidiary | Purchase | $421,510 | 54% | Net 30–60 days | At internal transfer price | $(128,600) | 46% | Note |
| Ji An VSO Electronics Co., LTD. | VSO ELECTRONICS CO., LTD. | Parent | Sale | $(421,510) | 62% | Net 30–60 days | At internal transfer price | 128,600 | 43% | Note |
| VSO ELECTRONICS CO., LTD. | VSO (Viet Nam) Electronics Co., LTD. | Subsidiary | Purchase | 316,661 | 41% | Net 30 days | At internal transfer price | (135,887) | 49% | Note |
| VSO (Viet Nam) Electronics Co., LTD. | VSO ELECTRONICS CO., LTD. | Parent | Sale | (316,661) | 91% | Net 30 days | At internal transfer price | 135,887 | 91% | Note |
| VSO Electronics (Suzhou) Co., LTD. | Ji An VSO Electronics Co., LTD. | Sister company | Purchase | 99,431 | 70% | Net 60 days | At internal transfer price | (52,044) | 63% | Note |
| Ji An VSO Electronics Co., LTD. | VSO Electronics (Suzhou) Co., LTD. | Sister company | Sale | (99,431) | 15% | Net 60 days | At internal transfer price | 52,044 | 17% | Note |
| VSO (Viet Nam) Electronics Co., LTD. | Ji An VSO Electronics Co., LTD. | Sister company | Purchase | 102,508 | 41% | Net 90 days | At internal transfer price | (93,824) | 51% | Note |
| Ji An VSO Electronics Co., LTD. | VSO (Viet Nam) Electronics Co., LTD. | Sister company | Sale | (102,508) | 15% | Net 90 days | At internal transfer price | 93,824 | 31% | Note |
| Zhangjiagang Free Trade Zone Linkupon Material Trading Limited Company | LINKUPON INTERNATIONAL LIMITED | Sister company | Purchase | 93,238 | 42% | Net 60 days | At internal transfer price | (39,813) | 45% | Note |
| LINKUPON INTERNATIONAL LIMITED | Zhangjiagang Free Trade Zone Linkupon Material Trading Limited Company | Sister company | Sale | (93,238) | 44% | Net 60 days | At internal transfer price | 39,813 | 58% | Note |

Note: Intra-group transactions have been fully eliminated in the preparation of the consolidated financial statements.

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## VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES

## Schedule 5 Receivables from Related Parties Reaching NT$100 Million or 20% of Paid-in Capital or More

For the six months ended June 30, 2026

(Expressed in thousands of New Taiwan dollars unless otherwise stated)

| Company with the receivable | Counterparty | Relationship | Balance of receivables from related parties (Note) | Turnover rate | Overdue receivables: Amount / Treatment | Subsequent collection | Allowance for doubtful accounts |
|---|---|---|---|---|---|---|---|
| Ji An VSO Electronics Co., LTD. | VSO ELECTRONICS CO., LTD. | Parent | $128,600 | 5.69 | $- / - | $128,600 | $- |
| VSO (Viet Nam) Electronics Co., LTD. | VSO ELECTRONICS CO., LTD. | Parent | 135,887 | 6.82 | - / - | 135,887 | - |
| Ji An VSO Electronics Co., LTD. | VSO (Viet Nam) Electronics Co., LTD. | Sister company | 93,824 | 3.01 | - / - | 48,626 | - |

Note: The above are intra-group transactions, which have been fully eliminated in the preparation of the consolidated financial statements.

# VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES

## Schedule 6 Business Relationships and Significant Transactions between the Parent and Subsidiaries and among Subsidiaries

For the six months ended June 30, 2026

(Expressed in thousands of New Taiwan dollars unless otherwise stated)

| No. (Note 1) | Name of transacting party | Counterparty | Relationship (Note 2) | Transaction: Account | Amount | Credit terms | % of consolidated total revenue or total assets (Note 3) | Note |
|---|---|---|---|---|---|---|---|---|
| 0 | VSO ELECTRONICS CO., LTD. | Ji An VSO Electronics Co., LTD. | (1) | Purchases | $421,510 | Note 4 | 26% | Note 5 |
| | | | | Accounts payable–related parties | 128,600 | Net 30–60 days | 3% | |
| 0 | VSO ELECTRONICS CO., LTD. | VSO Electronics (Suzhou) Co., LTD. | (1) | Purchases | 9,785 | Note 4 | 0.6% | |
| | | | | Accounts payable–related parties | 5,218 | Net 90 days | 0.1% | |
| 0 | VSO ELECTRONICS CO., LTD. | VSO (Viet Nam) Electronics Co., LTD. | (1) | Purchases | 316,661 | Note 4 | 20% | |
| | | | | Accounts payable–related parties | 135,887 | Net 30 days | 4% | |
| 1 | Ji An VSO Electronics Co., LTD. | VSO Electronics (Suzhou) Co., LTD. | (3) | Sales | 99,431 | Note 4 | 6% | |
| | | | | Accounts receivable–related parties | 52,044 | Net 60 days | 1% | |
| 1 | Ji An VSO Electronics Co., LTD. | VSO (Viet Nam) Electronics Co., LTD. | (3) | Sales | 102,508 | Note 4 | 6% | |
| | | | | Accounts receivable–related parties | 93,824 | Net 90 days | 2% | |
| 2 | VSO (Viet Nam) Electronics Co., LTD. | Ji An VSO Electronics Co., LTD. | (3) | Sales | 5,070 | Note 4 | 0% | |
| | | | | Accounts receivable–related parties | 1,793 | Net 30 days | 0.05% | |
| 2 | LINKUPON INTERNATIONAL LIMITED | Zhangjiagang Free Trade Zone Linkupon Material Trading Limited Company | (3) | Sales | 93,238 | Note 4 | 6% | |
| | | | | Accounts receivable–related parties | 39,813 | Net 60 days | 1% | |

Note 1: The number for each entity is: (0) for the parent; subsidiaries are numbered sequentially.

Note 2: The relationship with the transacting party is one of three types: (1) parent to subsidiary; (2) subsidiary to parent; (3) subsidiary to subsidiary.

Note 3: The above transactions have been fully eliminated.

Note 4: Based on the Group’s transfer pricing policy.

Note 5: The disclosure threshold is significant intra-group transaction amounts reaching 1% or more of consolidated revenue or total assets.

## VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES

## Schedule 7 Information on Investees

For the six months ended June 30, 2026

(Expressed in thousands of New Taiwan dollars unless otherwise stated)

| Name of investor | Name of investee (Notes 1, 2) | Location | Principal business | Original investment: End of period | Original investment: End of last year | Shares held | % held | Carrying amount (Note 1) | Net income (loss) of investee | Investment income (loss) recognized (Note 1) | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|
| VSO ELECTRONICS CO., LTD. | Cable Garden Holdings Limited | Samoa | Investment holding | 314,786 | 314,786 | 10,224,804 | 100% | 505,585 | 25,226 | 22,199 | Notes 1, 2 |
| | LINKUPON INTERNATIONAL LIMITED | Taiwan | Sales of engineering plastics for optical, automotive, and 3C product applications | 90,000 | 90,000 | 9,000,000 | 60% | 133,273 | 22,551 | 13,531 | Note 2 |
| | Vsovn Electronics (HANOI) Company Limited | Vietnam | Manufacturing and sales of various types of cables for smart IoT, cloud computing, industrial control, medical, and automotive applications (USD 12,840 / USD 9,500 thousand) | 409,052 | 302,998 | - | 100% | 385,920 | 1,775 | 1,775 | Note 2 |
| Cable Garden Holdings Limited | VSO (Viet Nam) Electronics Co., LTD. | Vietnam | Manufacturing and sales of various types of cables for smart IoT, cloud computing, industrial control, medical, and automotive applications (USD 2,000 / USD 2,000 thousand) | 60,847 | 60,847 | - | 100% | 90,668 | 18,401 | 17,877 | Notes 1, 2 |
| | Cleveland Investments Limited | Samoa | Investment holding | 56,101 | 56,101 | 1,700,000 | 100% | 105,979 | 3,993 | 3,978 | Notes 1, 2 |
| LINKUPON INTERNATIONAL LIMITED | Linkupon International Holdings Limited | Samoa | Investment holding | 71,444 | 71,444 | 2,407,795 | 100% | 172,917 | 12,515 | 12,515 | Note 2 |

Note 1: The difference between the investment income (loss) recognized as of June 30, 2026 and the net income (loss) of the investee arises from the net effect of unrealized (realized) gross profit.

Note 2: In preparing the consolidated financial statements, the carrying amount of long-term equity investments, the investment income (loss) recognized, and the net income (loss) of the investees have been fully eliminated.

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

**VSO ELECTRONICS CO., LTD. AND SUBSIDIARIES**

**Schedule 8 Information on Investments in Mainland China**

For the six months ended June 30, 2026

(Expressed in thousands of New Taiwan dollars unless otherwise stated)

| Name of investee in mainland China | Principal business | Paid-in capital | Investment method | Accumulated remittance from Taiwan at beginning of period | Remittance / return during period | Accumulated remittance from Taiwan at end of period | Net income (loss) of investee | % held directly/indirectly | Investment income (loss) recognized (Note 1) | Carrying amount at end of period | Accumulated remittance of earnings to Taiwan | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Ji An VSO Electronics Co., LTD. | Manufacturing and sales of various types of cables for smart IoT, cloud computing, industrial control, medical, and automotive applications | 175,176 (USD 2,800 & RMB 17,600 thousand) | Note 4 | 83,052 (USD 2,800 thousand) | - | 83,052 (USD 2,800 thousand) | 3,804 | 100% | 3,970 | 323,860 | 44,000 (RMB 10,000 thousand) | Note 7 |
| VSO Electronics (Suzhou) Co., LTD. | Manufacturing and sales of various types of cables for smart IoT, cloud computing, industrial control, medical, and automotive applications | 56,101 (USD 1,700 thousand) | Note 6 | 56,101 (USD 1,700 thousand) | - | 56,101 (USD 1,700 thousand) | 3,993 | 100% | 3,993 | 105,999 | 35,200 (RMB 8,000 thousand) | Note 7 |
| Zhangjiagang Free Trade Zone Linkupon Material Trading Limited Company | Sales of engineering plastics for optical, automotive, and 3C product applications | 53,095 (USD 1,400 thousand) | Note 5 | 56,046 (USD 1,724 thousand) | - | 56,046 (USD 1,724 thousand) | 9,306 | 60% | 5,584 | 122,499 | 30,800 (RMB 7,000 thousand) | Note 7 |
| Zhang Jia Gang Free Trade Zone Mitsui LinkUpon Advanced Material, Inc. | Production and sale of engineering plastic composites | 190,371 (USD 5,690 thousand) | Note 5 | 50,066 (USD 1,739 thousand) | - | 50,066 (USD 1,739 thousand) | 13,288 | 24% | 3,189 | 53,564 | 4,144 (RMB 930 thousand) | |

| Accumulated remittance from Taiwan at end of period | Amount approved by the Investment Commission, MOEA (Note 2) | Investment ceiling for mainland China set by the Investment Commission, MOEA (Note 3) |
|---|---|---|
| $245,265 | $337,389 | $1,044,699 |

Note 1: The basis for recognizing investment income (loss) is the financial statements reviewed by the parent company's independent auditors in Taiwan.

Note 2: The amount approved by the Investment Commission, MOEA totals USD 10,479,405.55, calculated at the original remittance exchange rate.

Note 3: Calculated at 60% of consolidated net worth in accordance with the Investment Commission's ruling.

Note 4: Invested in the mainland China company via Cable Garden Holdings Limited, a wholly (100%) held third-region company.

Note 5: Invested in the mainland China company via Linkupon International Holdings Limited, a wholly (100%) held third-region company of LINKUPON INTERNATIONAL LIMITED (60% held).

Note 6: Invested in the mainland China company via Cleveland Investments Limited, a wholly (100%) held third-region company.

Note 7: Fully eliminated in preparing the consolidated financial statements.