Stock Code:3033

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Review Report
For the Six Months Ended June 30, 2026 and 2025

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors’ Review Report	3
4. Consolidated Balance Sheets	4
5. Consolidated Statement of Comprehensive Income	5
6. Consolidated Statement of Changes in Equity	6
7. Consolidated Statement of Cash Flows	7
8. Notes to the Consolidated Financial Statements	
(1) Company history	8
(2) Approval date and procedures of the consolidated financial statements	8
(3) New standards, amendments and interpretations adopted	8～10
(4) Summary of material accounting policies	10～11
(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	12
(6) Explanation of significant accounts	12～41
(7) Related-party transactions	42
(8) Assets Pledged as security	43
(9) Significant commitments and contingencies	43
(10) Losses due to major disasters	43
(11) Subsequent events	43
(12) Other	43～44
(13) Other disclosure items	
(a) Information on significant transactions	44～47
(b) Information on investees	48
(c) Information on investment in Mainland China	48～49
(14) Segment information	49

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Independent Auditors' Review Report

To the Board of Directors of Weikeng Industrial Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Weikeng Industrial Co., Ltd. and its subsidiaries as of June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2026 and 2025, as well as the changes in equity and cash flows for the six months ended June 30, 2026 and 2025, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews, 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 Weikeng Industrial Co., Ltd. and its subsidiaries as of June 30, 2026 and 2025, and of its consolidated financial performance for the three months and six months ended June 30, 2026 and 2025, as well as its consolidated cash flows for the six months ended June 30, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Hsin, Yu-Ting and Liu, Chen-Hsing.

KPMG

Taipei, Taiwan (Republic of China)
August 12, 2026

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the 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 accepted and applied in the Republic of China.

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

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

(expressed in thousands of New Taiwan Dollars)

		June 30, 2026		December 31, 2025		June 30, 2025	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (note 6(a))	$ 3,711,920	6.4	2,949,810	6.7	3,381,065	8.6
1110	Current financial assets at fair value through profit or loss (notes 6(b) and 6(i))	656	-	827	-	799	-
1170	Notes and accounts receivable, net (notes 6(d) and 6(q))	27,012,249	46.5	19,476,526	44.1	16,182,521	41.3
1200	Other receivables (note 6(d))	750,341	1.3	480,659	1.1	648,994	1.6
1300	Inventories, net (note 6(e))	23,882,559	41.1	20,019,574	45.3	17,685,343	45.1
1470	Prepayments and other current assets	1,990,679	3.4	435,542	1.0	429,029	1.1
		57,348,404	98.7	43,362,938	98.2	38,327,751	97.7
	Non-current assets:						
1510	Non-current financial assets at fair value through profit or loss (notes 6(b) and 6(i))	2,479	-	-	-	-	-
1517	Non-current financial assets at fair value through other comprehensive income (note 6(c))	86,023	0.1	88,553	0.2	88,781	0.2
1600	Property, plant and equipment (note 6(f))	142,142	0.3	147,836	0.3	148,315	0.4
1755	Right-of-use assets (note 6(g))	165,354	0.3	240,666	0.6	218,360	0.6
1780	Intangible assets	13,145	-	11,297	-	9,211	-
1840	Deferred tax assets	196,224	0.3	223,099	0.5	354,045	0.9
1900	Other non-current assets	142,408	0.3	80,587	0.2	76,973	0.2
		747,775	1.3	792,038	1.8	895,685	2.3
	Total assets	**$ 58,096,179**	**100.0**	**44,154,976**	**100.0**	**39,223,436**	**100.0**

		June 30, 2026		December 31, 2025		June 30, 2025	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (notes 6(d) and 6(h))	$ 23,517,927	40.5	18,673,292	42.3	15,622,383	39.8
2120	Current financial liabilities at fair value through profit or loss (notes 6(b) and 6(i))	-	-	-	-	224	-
2130	Current contract liabilities (note 6(q))	1,819,179	3.2	355,319	0.8	346,379	0.9
2170	Accounts payable	13,686,391	23.6	8,558,300	19.4	7,400,155	18.9
2200	Other payables	1,286,372	2.2	952,270	2.1	762,854	1.9
2216	Dividends payable	1,000,000	1.7	-	-	1,000,000	2.6
2230	Current tax liabilities	592,141	1.0	265,003	0.6	120,395	0.3
2280	Current lease liabilities (note 6(j))	119,117	0.2	152,103	0.3	113,793	0.3
2300	Other current liabilities	767,212	1.3	641,407	1.5	486,702	1.2
2320	Bonds payable, current portion (note 6(i))	60,069	0.1	426,750	1.0	436,090	1.1
		42,848,408	73.8	30,024,444	68.0	26,288,975	67.0
	Non-current liabilities:						
2500	Non-current financial liabilities at fair value through profit or loss (notes 6(b) and 6(i))	-	-	25,250	-	25,000	0.1
2530	Bonds payable (note 6(i))	1,635,433	2.8	2,280,799	5.2	2,252,587	5.7
2570	Deferred tax liabilities	982,458	1.7	982,699	2.2	973,239	2.5
2580	Non-current lease liabilities (note 6(j))	53,160	0.1	94,836	0.2	109,286	0.3
2640	Non-current net defined benefit liabilities	27,620	-	31,571	0.1	38,105	0.1
2670	Other non-current liabilities	193	-	193	-	193	-
		2,698,864	4.6	3,415,348	7.7	3,398,410	8.7
	Total liabilities	45,547,272	78.4	33,439,792	75.7	29,687,385	75.7
	Equity (note 6(n)):						
3100	Common stock	5,165,595	8.9	4,802,812	10.9	4,797,641	12.2
3200	Capital surplus (note 6(i))	3,372,601	5.8	2,665,769	6.0	2,635,591	6.7
	Retained earnings:						
3310	Legal reserve	1,585,945	2.7	1,499,348	3.4	1,499,348	3.8
3350	Unappropriated earnings	2,185,403	3.8	1,626,204	3.7	920,879	2.4
		3,771,348	6.5	3,125,552	7.1	2,420,227	6.2
	Other equity interest:						
3410	Exchange differences on translation of foreign financial statements	331,259	0.6	212,981	0.5	(225,506)	(0.6)
3420	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	(91,896)	(0.2)	(91,930)	(0.2)	(91,902)	(0.2)
		239,363	0.4	121,051	0.3	(317,408)	(0.8)
	Total equity	12,548,907	21.6	10,715,184	24.3	9,536,051	24.3
	Total liabilities and equity	**$ 58,096,179**	**100.0**	**44,154,976**	**100.0**	**39,223,436**	**100.0**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Comprehensive Income

For the three months and six months ended June 30, 2026 and 2025

(expressed in thousands of New Taiwan Dollars, except for earnings per share)

		For the three months ended June 30				For the six months ended June 30			
		2026		2025		2026		2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4100	**Net sales revenue** (note 6(q))	$ 37,629,017	100.0	28,459,654	100.0	68,486,502	100.0	54,269,673	100.0
5000	**Cost of sales** (note 6(e))	35,253,786	93.7	27,999,647	98.4	64,203,747	93.7	52,432,766	96.6
	Gross profit	2,375,231	6.3	460,007	1.6	4,282,755	6.3	1,836,907	3.4
	Operating expenses (notes 6(j), 6(l), 6(r), 7 and 12):								
6100	Selling expenses	713,215	1.9	524,474	1.8	1,346,846	2.0	1,059,691	2.0
6200	Administrative expenses	209,779	0.6	109,535	0.4	404,360	0.6	246,981	0.5
6450	Expected credit losses (note 6(d))	6,434	-	2,411	-	33,865	-	24,540	-
		929,428	2.5	636,420	2.2	1,785,071	2.6	1,331,212	2.5
	Net operating income (loss)	1,445,803	3.8	(176,413)	(0.6)	2,497,684	3.7	505,695	0.9
	Non-operating income and expenses:								
7100	Interest income	13,648	-	11,114	-	23,090	-	22,214	0.1
7010	Other income (note 7)	2,285	-	1,520	-	13,904	-	2,941	-
7230	Foreign currency exchange gains, net (note 6(s))	42,927	0.1	259,297	0.9	159,579	0.2	263,012	0.5
7235	Gains (losses) on financial assets (liabilities) at fair value through profit or loss, net (note 6(i))	15,688	-	1,689	-	22,255	-	4,604	-
7050	Finance costs (notes 6(i) and 6(j))	(280,942)	(0.6)	(271,529)	(0.9)	(532,611)	(0.7)	(534,515)	(1.0)
7590	Miscellaneous disbursements	(137)	-	2	-	(142)	-	1	-
		(206,531)	(0.5)	2,093	-	(313,925)	(0.5)	(241,743)	(0.4)
7900	**Profit (loss) before tax**	1,239,272	3.3	(174,320)	(0.6)	2,183,759	3.2	263,952	0.5
7950	**Less: Income tax expenses (benefits)** (note 6(m))	321,353	0.9	(12,212)	-	537,963	0.8	103,312	0.2
8200	**Profit (loss)**	917,919	2.4	(162,108)	(0.6)	1,645,796	2.4	160,640	0.3
	Other comprehensive income:								
8310	**Items that will not be reclassified to profit or loss**								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	24	-	(28)	-	34	-	(52)	-
8349	Less: Income tax related to items that will not be reclassified to profit or loss (note 6(m))	-	-	-	-	-	-	-	-
		24	-	(28)	-	34	-	(52)	-
8360	**Items that may be reclassified to profit or loss**								
8361	Exchange differences on translation of foreign financial statements	(21,886)	-	(954,185)	(3.4)	147,847	0.2	(862,259)	(1.6)
8399	Less: Income tax related to items that will be reclassified to profit or loss (note 6(m))	(4,378)	-	(190,837)	(0.7)	29,569	-	(172,452)	(0.3)
		(17,508)	-	(763,348)	(2.7)	118,278	0.2	(689,807)	(1.3)
	Other comprehensive income	(17,484)	-	(763,376)	(2.7)	118,312	0.2	(689,859)	(1.3)
8500	**Comprehensive income**	**$ 900,435**	**2.4**	**(925,484)**	**(3.3)**	**1,764,108**	**2.6**	**(529,219)**	**(1.0)**
	Earnings per ordinary share (expressed in New Taiwan dollars) (note 6(p))								
9750	**Basic earnings (loss) per share**	**$**	**1.86**		**(0.34)**		**3.38**		**0.34**
9850	**Diluted earnings (loss) per share**	**$**	**1.59**		**(0.34)**		**2.86**		**0.33**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Changes in Equity

For the six months ended June 30, 2026 and 2025

(expressed in thousands of New Taiwan Dollars)

			Retained earnings			Other equity interest		
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
Balance at January 1, 2025	$ 4,742,934	2,539,836	1,383,563	12,354	1,863,670	464,301	(91,850)	10,914,808
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	115,785	-	(115,785)	-	-	-
Cash dividends	-	-	-	-	(1,000,000)	-	-	(1,000,000)
Reversal of special reserve	-	-	-	(12,354)	12,354	-	-	-
	-	-	115,785	(12,354)	(1,103,431)	-	-	(1,000,000)
Profit for the six months ended June 30, 2025	-	-	-	-	160,640	-	-	160,640
Other comprehensive income for the six months ended June 30, 2025	-	-	-	-	-	(689,807)	(52)	(689,859)
Total comprehensive income for the six months ended June 30, 2025	-	-	-	-	160,640	(689,807)	(52)	(529,219)
Share-based payment transactions	-	10,101	-	-	-	-	-	10,101
Changes in ownership interests in subsidiaries	-	238	-	-	-	-	-	238
Conversion of convertible bonds	54,707	85,690	-	-	-	-	-	140,397
Others	-	(274)	-	-	-	-	-	(274)
Balance at June 30, 2025	**$ 4,797,641**	**2,635,591**	**1,499,348**	**-**	**920,879**	**(225,506)**	**(91,902)**	**9,536,051**
Balance at January 1,2026	$ 4,802,812	2,665,769	1,499,348	-	1,626,204	212,981	(91,930)	10,715,184
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	86,597	-	(86,597)	-	-	-
Cash dividends	-	-	-	-	(1,000,000)	-	-	(1,000,000)
	-	-	86,597	-	(1,086,597)	-	-	(1,000,000)
Profit for the six months ended June 30, 2026	-	-	-	-	1,645,796	-	-	1,645,796
Other comprehensive income for the six months ended June 30, 2026	-	-	-	-	-	118,278	34	118,312
Total comprehensive income for the six months ended June 30, 2026	-	-	-	-	1,645,796	118,278	34	1,764,108
Share-based payment transactions	-	21,766	-	-	-	-	-	21,766
Changes in ownership interests in subsidiaries	-	511	-	-	-	-	-	511
Conversion of convertible bonds	362,783	684,555	-	-	-	-	-	1,047,338
Balance at June 30, 2026	**$ 5,165,595**	**3,372,601**	**1,585,945**	**-**	**2,185,403**	**331,259**	**(91,896)**	**12,548,907**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Cash Flows

For the six months ended June 30, 2026 and 2025

(expressed in thousands of New Taiwan Dollars)

	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Cash flows from (used in) operating activities:		
Profit before tax	$ 2,183,759	263,952
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expenses	89,265	85,581
Amortization expenses	4,332	4,360
Expected credit losses	33,865	24,540
Net gains on financial assets and liabilities at fair value through profit or loss	(22,255)	(4,604)
Interest expenses	532,611	534,515
Interest income	(23,090)	(22,214)
Share-based payments	22,277	10,339
Others	(264)	(144)
	636,741	632,373
Changes in operating assets and liabilities:		
(Increase) decrease in notes and accounts receivable	(7,569,588)	1,537,555
Increase in other receivables	(269,211)	(57,495)
(Increase) decrease in inventories	(3,862,985)	2,839,289
Increase in prepayments and other current assets	(1,602,545)	(163,836)
	(13,304,329)	4,155,513
Increase (decrease) in accounts payable	6,696,039	(52,291)
Increase (decrease) in other payable	272,562	(178,942)
Increase (decrease) in contract liabilities and other current liabilities	1,589,665	(185,016)
Decrease in net defined benefit liabilities	(3,951)	(3,692)
	8,554,315	(419,941)
Total changes in operating assets and liabilities	(4,750,014)	3,735,572
Total adjustments	(4,113,273)	4,367,945
Cash flows (used in) from operations	(1,929,514)	4,631,897
Interest received	22,619	21,858
Interest paid	(441,267)	(512,202)
Income taxes paid	(213,475)	(170,971)
Net cash flows (used in) from operating activities	(2,561,637)	3,970,582
Cash flows from (used in) investing activities:		
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	2,564	-
Acquisition of property, plant and equipment	(2,342)	(5,222)
Disposal of property, plant and equipment	-	165
Increase in refundable deposits	(8,933)	(75,758)
Acquisition of intangible assets	(5,811)	(6,944)
Increase in other prepayments	(5,479)	(746)
Net cash flows used in investing activities	(20,001)	(88,505)
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term borrowings	3,276,687	(2,542,745)
Repurchase of bonds	-	(3,045)
Payments of lease liabilities	(80,005)	(75,286)
Net cash flows from (used in) financing activities	3,196,682	(2,621,076)
Effect of exchange rate changes on cash and cash equivalents	147,066	(865,254)
Net increase in cash and cash equivalents	762,110	395,747
Cash and cash equivalents at the beginning of period	2,949,810	2,985,318
Cash and cash equivalents at the end of period	$ **3,711,920**	**3,381,065**

See accompanying notes to consolidated financial statements.

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

June 30, 2026 and 2025

(expressed in thousands of New Taiwan Dollars, unless otherwise specified)

(1) Company history

Weikeng Industrial Co., Ltd. (the "Company") was incorporated in Taiwan as a company limited by shares in January 1977 and registered under the Ministry of Economic Affairs, R.O.C. The address of the Company's registered office is 11F, No.308 Sec. 1, Neihu Rd., Neihu Dist., Taipei City. The major activities of the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") are the purchase and sale of electronic components and computer peripherals, technical service, and the import-export trade business. Please refer to note 4(b) for related information. The Company's common shares were listed on the Taiwan Stock Exchange (TSE).

(2) Approval date and procedures of the consolidated financial statements

The consolidated financial statements were authorized for issuance by the Board of Directors on August 12, 2026.

(3) New standards, amendments and interpretations adopted:

(a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2026:

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2027, would not have a significant impact on its consolidated financial statements:

- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

The Group expects to adopt the following new and amended standards, which effective for annual period beginning on January 1, 2028:

(i) IFRS 18 “Presentation and Disclosure in Financial Statements”

The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.

- A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities.
- Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.
- Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

The new standard introduces consequential amendments to IAS 7, which require to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The consequential amendments also provide specific guidance on the classification of interest and dividend cash flows.

The Group is evaluating the impact on its consolidated financial statements upon the initial adoption of the new standard.

(Continued)

(ii) Amendments to IAS 28 "The Fair Value Option for Investments in Associates and Joint Ventures"

The Group does not expect the amendments to have a significant impact on its consolidated financial statements.

(c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The Group does not expect the following new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 20 "Regulatory Assets and Regulatory Liabilities"

(4) Summary of material accounting policies

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "the Regulations") and IAS 34 "Interim Financial Reporting" which are endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as FSC). The consolidated financial statements do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (altogether referred to "IFRS Accounting Standards" endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2025. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2025.

(b) Basis of Consolidation

(i) Principle of preparation of the consolidated financial statements is consistent with the consolidated financial statement for the year ended December 31, 2025. For related information, please refer to note 4(c) of the consolidated financial statement for the year ended December 31, 2025.

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

List of subsidiaries in the consolidated financial statements:

			Shareholding		
Name of Investor	**Name of Subsidiary**	**Nature of operation**	**June 30, 2026**	**December 31, 2025**	**June 30, 2025**
The Company	Weikeng International Co., Ltd. (WKI)	Electronic components computer peripherals products distribution and technical support	100 %	100 %	100 %
〃	Weikeng Technology Co., Ltd. (WKZ)	Electronic components and technical support	100 %	100 %	100 %
〃	Weikeng Technology Pte. Ltd. (WTP)	〃	100 %	100 %	100 %
WKI	Weikeng International (Shanghai) Co., Ltd. (WKS)	Electronic components computer peripherals products distribution and technical support	100 %	100 %	100 %
〃	Weitech International Co., Ltd. (Weitech)	Import and export trade of electronic components	100 %	100 %	100 %
WKS	SiUltra Electronic Technology (Shanghai) Co., Ltd. (SiU)	Electronic technology development and technical advisory	100 %	100 %	100 %

(c) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management's best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 " Interim Financial Reporting" endorsed by the FSC requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2025. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2025.

(6) Explanation of significant accounts

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2025 consolidated financial statements. Please refer to note 6 of the consolidated financial statements for the year ended December 31, 2025.

(a) Cash and cash equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand	$ 184	183	167
Checking accounts and demand deposits	3,711,736	2,792,752	3,351,743
Time deposits	-	156,875	29,155
	$ 3,711,920	**2,949,810**	**3,381,065**

Please refer to note 6(s) for the exchange rate, interest rate risk and sensitivity analysis of the financial assets of the Group.

(b) Financial assets and liabilities at fair value through profit or loss

(i) The details of the financial assets and liabilities at fair value through profit or loss were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Current financial assets at fair value through profit or loss:			
Non-derivative financial assets			
Stocks listed on domestic markets	$ 650	740	799
Convertible bonds – embedded derivatives	6	87	-
	$ 656	**827**	**799**

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

		June 30, 2026	December 31, 2025	June 30, 2025
Non-current financial assets at fair value through profit or loss:				
Convertible bonds – embedded derivatives	$	2,479	-	-
Current financial liabilities at fair value through profit or loss:				
Convertible bonds – embedded derivatives	$	-	-	224
Non-current financial liabilities at fair value through profit or loss:				
Convertible bonds – embedded derivatives	$	-	25,250	25,000

As of June 30, 2026, December 31 and June 30, 2025, the Group did not provide any financial assets at fair value through profit or loss as collateral for its loans.

Please refer to note 6(s) for credit risk and currency risk of financial instruments of the Group.

(c) Non-current financial assets at fair value through other comprehensive income

		June 30, 2026	December 31, 2025	June 30, 2025
Debt investments at fair value through other comprehensive income:				
Overseas unlisted convertible promissory note	$	9,056	9,056	9,056
Equity investments at fair value through other comprehensive income:				
Domestic emerging market stocks		148	114	142
Domestic unlisted stocks		69,361	71,925	72,125
Overseas unlisted stocks		7,458	7,458	7,458
	$	86,023	88,553	88,781

(i) Debt investments at fair value through other comprehensive income

The Group has made an assessment that the debt invesment were held within a business model whose objective was achieved by both collecting contractual cash flows and selling financial assets. Therefore, they have been classified as financial assets at fair value through other comprehensive income.

(ii) Equity investments at fair value through other comprehensive income

The Group designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term strategy and not for trading purposes.

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

There were no disposals of strategic investments, nor were there any transfers of any cumulative gain or loss within equity relating to these investments in the six months ended June 30, 2026 and 2025.

(iii) The investee company, Shin Kong Global Venture Capital Corp. (SKGVC), which was recognized as non-current financial assets at fair value through other comprehensive income, reduced its capital to refund $2,564 during the six months ended June 30, 2026, leading to a reduction of the Group's shareholding in SKGVC from 720 thousand shares to 432 thousand shares.

(iv) For credit risk and market risk, please refer to note 6(s).

(v) As of June 30, 2026, December 31 and June 30, 2025, the Group did not provide any financial assets at fair value through other comprehensive income as collateral for its loans.

(d) Notes and accounts receivable

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable	$ 285,892	359,266	240,314
Accounts receivable – measured as amortized cost	23,072,240	15,602,757	13,375,796
Accounts receivable – fair value through other comprehensive income	3,825,510	3,650,017	2,729,201
	27,183,642	19,612,040	16,345,311
Less: Loss allowance	(171,393)	(135,514)	(162,790)
	$ 27,012,249	19,476,526	16,182,521

The Group has assessed a portion of its accounts receivable that was held within a business model whose objective is achieved by selling financial assets; therefore, such accounts receivable was measured at fair value through other comprehensive income.

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivable have been grouped based on shared credit risk characteristics of the customer's ability to pay all due amounts in accordance with contract terms, as well as incorporated forward looking information, including macroeconomic and relevant industry information. The Group's loss allowance of notes and accounts receivable were determined as follows:

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) The Company

	June 30, 2026			
Credit rating	**Carrying amount**	**Expected credit loss rate**	**Loss allowance**	**Credit impaired**
Listed company (assessed by the Group)				
Level A	$ 7,522,488	0.54%	40,811	No
Level B	2,713,200	1.13%	30,534	No
Unlisted company	1,428,465	1.27%	18,119	No
	$ 11,664,153		**89,464**	

	December 31, 2025			
Credit rating	**Carrying amount**	**Expected credit loss rate**	**Loss allowance**	**Credit impaired**
Listed company (assessed by the Group)				
Level A	$ 6,290,746	0.53%	33,057	No
Level B	1,510,091	1.10%	16,642	No
Unlisted company	1,168,806	0.96%	11,164	No
	$ 8,969,643		**60,863**	

	June 30, 2025			
Credit rating	**Carrying amount**	**Expected credit loss rate**	**Loss allowance**	**Credit impaired**
Listed company (assessed by the Group)				
Level A	$ 5,290,567	0.60%	31,528	No
Level B	1,147,841	1.49%	17,150	No
Unlisted company	1,061,556	1.25%	13,252	No
	$ 7,499,964		**61,930**	

The aging analysis of the Company’ s notes and accounts receivable was determined as follows:

	June 30, 2026	**December 31, 2025**	**June 30, 2025**
Not past due	$ 11,652,389	8,969,643	7,467,981
Overdue 90 days or less	-	-	31,983
Overdue 91 to 180 days	11,764	-	-
	$ 11,664,153	**8,969,643**	**7,499,964**

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Subsidiaries

	June 30, 2026		
	Carrying amount	Expected credit loss rate	Loss allowance
Not past due	$ 14,389,345	0.07%	10,342
Overdue 90 days or less	1,096,011	4.23%	46,367
Overdue 91 to 180 days	28,385	68.60%	19,472
Overdue 181 days or more	5,748	100%	5,748
	$ 15,519,489		81,929

	December 31, 2025		
	Carrying amount	Expected credit loss rate	Loss allowance
Not past due	$ 9,977,520	0.02%	2,004
Overdue 90 days or less	653,894	9.43%	61,664
Overdue 91 to 180 days	3,832	100%	3,832
Overdue 181 days or more	7,151	100%	7,151
	$ 10,642,397		74,651

	June 30, 2025		
	Carrying amount	Expected credit loss rate	Loss allowance
Not past due	$ 8,130,333	0.05%	4,304
Overdue 90 days or less	650,645	5.84%	38,029
Overdue 91 to 180 days	6,996	16.50%	1,154
Overdue 181 days or more	57,373	100%	57,373
	$ 8,845,347		100,860

For the six months ended June 30, 2026 and 2025, the movements in the allowance for notes and accounts receivable of the Group were as follows:

	For the six months ended June 30,	
	2026	2025
Balance at January 1	$ 135,514	150,242
Impairment losses recognized	33,865	24,540
Amounts written off	(5)	-
Reclassifications to the allowance for other receivables	-	(172)
Effect of changes in foreign exchange rates	2,019	(11,820)
Balance at June 30	$ 171,393	162,790

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Group entered into accounts receivable factoring agreements with banks. According to the factoring agreement, the Group does not bear the loss if the account debtor does not have the ability to make payments upon the transfer of the accounts receivable factoring. The Group has not provided other guarantees except for the promissory notes, which have the same amount with the factoring, used as the guarantee for the sales return and discount. The Group received the proceeds from the discounted accounts receivable determined by agreements on the selling date. Interest is calculated and paid based on the duration and interest rate of the agreement, and the remaining amounts are received when the accounts receivable are paid by the customers. In addition, the Group has to pay a service charge based on a certain rate.

The Group derecognized the above accounts receivable because it has transferred substantially all of the risks and rewards of their ownership, and it does not have any continuing involvement by them. The amounts receivable from the financial institutions were recognized as “other receivables” upon the derecognition of those accounts receivable. As of the reporting date, the information of accounts receivable sold without recourse was as follows:

June 30, 2026						
Purchaser	Amount Derecognized	Amount Paid	Advanced Unpaid	Amount Recognized in Other Receivables	Range of Interest Rate	Significant Transferring Terms
Financial institutions	$ 5,957,256	5,331,140	-	626,116	2.60%~4.95%	None

December 31, 2025						
Purchaser	Amount Derecognized	Amount Paid	Advanced Unpaid	Amount Recognized in Other Receivables	Range of Interest Rate	Significant Transferring Terms
Financial institutions	$ 3,851,858	3,489,601	-	362,257	2.51%~5.52%	None

June 30, 2025						
Purchaser	Amount Derecognized	Amount Paid	Advanced Unpaid	Amount Recognized in Other Receivables	Range of Interest Rate	Significant Transferring Terms
Financial institutions	$ 5,931,695	5,356,774	-	574,921	2.70%~5.66%	None

The Group entered into factoring agreements with financial institutions to sell its accounts receivable. Under the agreements, the Group sold the accounts receivable to the financial institutions with recourse; thus, the Group retains almost all the risks and rewards of such accounts receivable and does not qualify for the derecognition of financial assets. As of the reporting date, the carrying amounts of transferred accounts receivable and related financial liabilities that had not been derecognized were as follows:

June 30, 2026					
Purchaser	Accounts receivable transferred	Credit line	Amount advanced (recognized as short-term borrowings)	Range of interest rate	Collateral
Financial institutions	$ 865,555	1,147,140	779,000	4.75%~4.88%	None

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

As of December 31, 2025, the notes receivable of the Group had been pledged as collaterals, please refer to note 8.

Please refer to note 6(s) for further credit risk information.

(e) Inventories

	June 30, 2026	December 31, 2025	June 30, 2025
Merchandise inventories	$ 22,234,433	18,836,481	16,722,623
Goods in transit	1,648,126	1,183,093	962,720
	$ 23,882,559	**20,019,574**	**17,685,343**

The details of the cost of sales were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Inventory that has been sold	$ 35,249,061	27,845,858	64,224,050	52,272,002
Recognized for inventory valuation and obsolescence loss (reversal gain)	3,953	153,779	(22,124)	160,751
Loss on disposal of inventory	772	-	1,821	3
Others	-	10	-	10
	$ 35,253,786	**27,999,647**	**64,203,747**	**52,432,766**

(i) As certain inventories previously written down have been sold or scrapped, the factors causing net realizable value to fall below cost have disappeared. The subsequent recovery of net realizable value was recognized as a deduction from cost of sales.

(ii) Inventory write-downs to net realizable value were recognized, and the related losses were included as an addition to cost of sales.

(iii) As of June 30, 2026, December 31 and June 30, 2025, the Group did not provide any inventories as collaterals for its loans.

(f) Property, plant and equipment

	Land	Buildings and construction	Transportation equipment	Machinery equipment	Office and other facilities equipment	Total
Carrying amounts:						
Balance on January 1, 2026	**$ 77,377**	**25,749**	**10,916**	**16,430**	**17,364**	**147,836**
Balance on June 30, 2026	**$ 77,377**	**25,317**	**9,355**	**13,773**	**16,320**	**142,142**
Balance on January 1, 2025	**$ 77,377**	**26,612**	**14,431**	**21,461**	**13,341**	**153,222**
Balance on June 30, 2025	**$ 77,377**	**26,181**	**12,311**	**17,966**	**14,480**	**148,315**

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Group's property, plant and equipment have no significant additions, disposals, impairments or reversals during the six months ended June 30, 2026 and 2025. Information on depreciation for the period is disclosed in note 12(a). For other related information, please refer to note 6(f) of the consolidated financial statements for the year ended December 31, 2025.

(g) Right-of-use assets

	Buildings	Transportation equipment	Total
Carrying amount:			
Balance on January 1, 2026	$ **236,633**	**4,033**	**240,666**
Balance on June 30, 2026	$ **162,253**	**3,101**	**165,354**
Balance on January 1, 2025	$ **275,972**	**6,216**	**282,188**
Balance on June 30, 2025	$ **213,273**	**5,087**	**218,360**

There were no significant additions, disposals, or recognition and reversal of impairment losses of buildings and transportation equipments that are held as right-of-use assets during the six months ended June 30, 2026 and 2025. Please refer to note 6(g) of the consolidated financial statements for the year ended December 31, 2025.

(h) Short-term borrowings

The details of the Group's short-term borrowings were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Secured bank loans	$ -	38,650	-
Unsecured bank loans	21,660,201	16,806,776	13,629,839
Supplier financing arrangements	659,674	629,782	824,375
Short term notes and bills payable, net	1,198,052	1,198,084	1,168,169
	$ **23,517,927**	**18,673,292**	**15,622,383**
Unused short-term credit lines	$ **4,783,483**	**7,065,813**	**7,717,869**
Range of interest rates	**1.90%~5.03%**	**1.88%~5.38%**	**1.88%~5.51%**

(i) For information on the Group's interest risk, foreign currency risk and liquidity risk, please refer to note 6(s).

(ii) For the information of collaterals for short-term borrowings, please refer to note 8.

(iii) Supplier finance arrangements

The Group participates in a supplier finance arrangement. Under the arrangement, the bank agrees to pay amounts due to participating suppliers in respect of invoices owed by the Group and the Group repays the bank at a later date. The principal purpose of this arrangement is to facilitate an efficient payment process.

The Group has derecognized the original accounts payable related to the arrangement, as a legal release obtained pursuant to the non-recourse clause and the extension of payment terms.

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

These liabilities were reclassified as unsecured loans under short-term borrowings. As of June 30, 2026, December 31 and June 30, 2025, the aforementioned supplier financing arrangement was classified as a current liability under short-term borrowings.

	June 30, 2026	December 31, 2025	June 30, 2025
Accounts payable of which suppliers have received payment from the bank	$ 659,674	629,782	824,375
Range of payment due dates			
Accounts payables	60 days after invoice date	60 days after invoice date	60 days after invoice date
Short-term borrowings – supplier financing arrangement	within 180 days from invoice date	within 180 days from invoice date	within 180 days from invoice date

Non-cash changes

There were no significant non-cash changes in the carrying amount of financial liabilities subject to supplier finance arrangements.

The payments to the bank are included within financing cash flows. For the six months ended June 30, 2026 and 2025, the payments of $1,567,948 and $824,375, respectively, made by the bank to the Group's supplier were deemed as non-cash transactions.

For additional information about how these arrangements affect the Group' s exposure to liquidity risk, please refer to note 6(t) of the consolidated financial statements for the year ended December 31, 2025 for the related information.

(i) Convertible bonds payable

(i) Non-guaranteed convertible bonds:

	June 30, 2026	December 31, 2025	June 30, 2025
Aggregate principal amount	$ 4,500,000	4,500,000	4,500,000
Bond discount	(135,898)	(228,351)	(260,123)
Cumulative repurchased amount	(4,700)	(4,700)	(4,700)
Cumulative converted amount	(2,663,900)	(1,559,400)	(1,546,500)
	1,695,502	2,707,549	2,688,677
Less: Convertible bonds payable – could be repaid with one year	(60,069)	(426,750)	(436,090)
Bonds payable at end of period	**$ 1,635,433**	**2,280,799**	**2,252,587**
Embedded derivative – put and call options			
Included in current financial assets at fair value through profit or loss	**$ 6**	**87**	**-**

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	June 30, 2026	December 31, 2025	June 30, 2025
Included in non-current financial assets at fair value through profit or loss	$ 2,479	-	-
Included in current financial liabilities at fair value through profit or loss	$ -	-	224
Included in non-current financial liabilities at fair value through profit or loss	$ -	25,250	25,000
Equity component – conversion options (included in capital surplus – conversion options)	$ 187,068	284,145	284,883

(ii) There were no issuances or repayments of bonds payable for the six months ended June 30, 2026 and 2025. Please refer to note 6(i) of the consolidated financial statements for the year ended December 31, 2025 for the related information.

(iii) The effective interest rate of the sixth and seventh convertible bond were 1.51% and 2.52%, respectively. The interest expense on convertible bonds for the three months and six months ended June 30, 2026 and 2025 were $14,162, $15,693, $29,988 and $31,709, respectively.

(iv) As the sixth convertible bonds have issued for three years, the bondholders may request the Company to repurchase the bonds. Therefore, based on the conservative principles, the sixth convertible bonds were recognized as current liabilities since June 1, 2024. However, it does not indicate that the Company would repay all the liabilities within a year.

(v) The net gain on the recognition of financial assets and liabilities for the three months and six months ended June 30, 2026 and 2025, amounted to $15,732, $1,731, $22,345 and $4,604, respectively.

(vi) The convertible bonds amounting to $1,042,035 (including bonds payable with a face value of $1,104,500 and an unamortized discount of $62,465) were converted into ordinary shares of the Company, resulting in an increase in share capital of $362,783 and a corresponding increase in capital surplus – additional paid-in capital of $781,632 (including the capital surplus – conversion options transferred to the capital surplus – additional paid-in capital of $97,077) for the six months ended June 30, 2026.

(vii) The convertible bonds amounting to $140,214 (including bonds payable with a face value of $144,700 and an unamortized discount of $4,486) were converted into ordinary shares of the Company, resulting in an increase in share capital of $54,707 and a corresponding increase in capital surplus – additional paid-in capital of $93,960 (including the capital surplus – conversion options transferred to the capital surplus – additional paid-in capital of $8,270) for the six months ended June 30, 2025.

(viii) The Company paid the amount of $3,045 to repurchase the convertible bonds, with a face value of $3,000 on June 2, 2025, resulting in a gain of $143 and a decrease in capital surplus of $274.

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ix) After adjustments resulting from earnings distributions in subsequent years, the conversion price of the sixth convertible bonds was NTD26.45 and NTD24.84 per share for the six months ended June 30, 2025 and 2026, respectively.

(x) After adjustments resulting from earnings distributions in subsequent years, the conversion price of the seventh convertible bonds were NTD36.67 and NTD34.44 per share for the six months ended June 30, 2025 and 2026, respectively.

(j) Lease liabilities

The details of the Group's lease liabilities were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Current	$ 119,117	152,103	113,793
Non-current	$ 53,160	94,836	109,286

For the maturity analysis, please refer to note 6(s) of financial instruments.

The amounts recognized in profit or loss were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Interest expenses on lease liabilities	$ 1,833	2,369	4,009	5,153
Expenses relating to short-term leases	$ 839	1,058	1,671	2,243

The amounts recognized in the consolidated statements of cash flows were as follows:

	For the six months ended June 30,	
	2026	2025
Total cash outflow for leases	$ 85,685	82,682

(i) Real estate leases

The Group leases buildings for its office space, warehouses and dormitories. The leases of office space typically run for a period of 1 to 6 years, of warehouses for 1 to 4 years, and of dormitories for 1 to 3 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases of office buildings contain extension or cancellation options exercisable by the Group before the end of the non-cancellable contract period. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors. When the lessee is not reasonably certain to use an optional extended lease term, payments associated with the optional period will not be included within lease liabilities.

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Other leases

The Group leases transportation equipment typically run for a period of 2 to 5 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

The Group leases office space, dormitories, transportation equipment and parking space with lease terms of one year. Since these leases are short term, the Group elected not to recognize its right-of-use assets and lease liabilities for these leases.

(k) Operating lease – as lessor

There were no significant lease contracts for the six months ended June 30, 2026 and 2025. Please refer to note 6(k) of the consolidated financial statements for the year ended December 31, 2025 for the related information.

(l) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material onetime events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2025 and 2024.

The Company makes defined benefit plan contributions to the pension fund account at the Bank of Taiwan that provides pensions for employees upon retirement. The plans entitle a retired employee to receive a payment based on years of service and average salary for the six months prior to retirement.

The expenses recognized in profit or loss for the Group were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Operating expenses	**$ 120**	**187**	**240**	**374**

(ii) Defined contribution plans

The Company and WKZ allocate 6% of each employee’s monthly wages to the labor pension personal account with the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under this defined contribution plan, the Company and WKZ allocate a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligations.

The Company’s and WKZ’s expenses for the pension plan contributions to the Bureau of Labor Insurance amounted to $6,546, $6,300, $13,024 and $12,570 for the three months and six months ended June 30, 2026 and 2025, respectively.

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Other subsidiaries recognized the pension expenses, basic endowment insurance expenses, and social welfare expenses amounting to $25,439, $21,684, $49,695 and $44,291 for the three months and six months ended June 30, 2026 and 2025, respectively.

(m) Income taxes

(i) Income tax expenses (benefits)

The amounts of income tax expenses (benefits) for the three months and six months ended June 30, 2026 and 2025 were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Current tax expenses (benefits)	$ 321,353	(12,212)	537,963	103,312

The amounts of income tax expenses (benefits) recognized in other comprehensive income for the three months and six months ended June 30, 2026 and 2025 were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign financial statements	$ (4,378)	(190,837)	29,569	(172,452)

(ii) Income tax assessment

The Company’s and WKZ’s income tax returns have been examined and approved by the R.O.C. tax authorities until year 2023 and 2024, respectively.

(iii) Global minimum top-up tax

The Group has applied the temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

The Group is subject to the global minimum top-up tax under Pillar Two as Taiwan, where the Company operates, has implemented the Income Inclusion Rule effective January 1, 2025. Based on the Group’s assessment, no current income tax expense related to the top-up tax is required to be recognized for the six months ended June 30, 2026 and 2025.

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(n) Capital and other equities

As of June 30, 2026, December 31 and June 30, 2025, the total number of authorized ordinary shares were 900,000 thousand shares, with par value of NTD10 per share. The total value of authorized ordinary shares amounted to $9,000,000. As of that date, 516,560 thousand shares, 480,281 thousand shares and 479,764 thousand shares of ordinary shares were issued, respectively. All issued shares were paid up upon issuance.

(i) Common stock

The Company issued 36,279 thousand new ordinary shares, with a par value of NTD10 per share, amounting to $362,783, due to the conversion of convertible bonds in the six months ended June 30, 2026. As of June 30, 2026, the relevant statutory registration procedures of 35,876 thousand shares have not been completed.

The Company issued 5,471 thousand new ordinary shares, with a par value of NTD10 per share, amounting to $54,707, due to the conversion of convertible bonds in the six months ended June 30, 2025. The relevant statutory registration procedures have been completed.

(ii) Capital surplus

Balances on capital surplus of the Company were as follows:

	June 30, 2026	**December 31, 2025**	**June 30, 2025**
Additional paid-in capital	$ 3,091,656	2,310,024	2,301,844
Treasury share transactions	37,650	37,650	37,560
Donation from shareholders	712	712	712
Convertible bonds – conversion options	187,068	284,145	284,883
Employee stock options	53,993	32,227	10,101
Recognition of changes in ownership interests in subsidiaries	1,269	758	238
Others	253	253	253
	$ 3,372,601	**2,665,769**	**2,635,591**

For the six months ended June 30, 2026 and 2025, the capital surplus deriving from those convertible bonds, which were converted to common stock, amounted to $684,555 and $85,690, respectively (including the capital surplus – conversion options transferred to the capital surplus – additional paid-in capital of $97,077 and $8,270, respectively).

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

In accordance with the Company Act, realized capital surplus can be utilized for issuing new shares or be distributed as cash dividends only after offsetting losses. The aforementioned capital surplus includes share premiums and donation gains. In accordance with the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the amount of capital surplus to be utilized for issuing new shares shall not exceed 10% of paid-in capital every year. Capital surplus increased by transferring from paid-in capital in excess of par value shall not be capitalized until the next fiscal year after the competent authority for company registrations approves registration of the capital increase.

(iii) Retained earnings

The Company's Articles of Incorporation stipulate that the Company's earnings should first be estimated and retained to cover taxable contributions, losses, legal reserve, special reserve, or reversal of special reserve, and the remaining balance should be the distributable earnings for the current year; the Board of Directors may prepare a proposal for the distribution of earnings by combining the unappropriated earnings of the previous year. In accordance with the Company Act, if the distribution of earnings or reserves is to be made through the issuance of new shares, the Board of Directors shall prepare a proposal and submit it to the shareholders' meeting for resolution; if the distribution is to be made through the issuance of cash, the Board of Directors is authorized to report to the shareholders' meeting with the attendance of at least two-thirds of the directors and the resolution of a majority of the directors present. The Board of Directors shall determine the proportion of stock dividends and cash dividends to be distributed among the stockholders' dividends with reference to the Company's corporate profitability, future capital expenditure plans, expansion plans, capital planning, cash flow requirements, laws and regulations, and the degree of dilution of earnings per share, and shall prepare a resolution on the appropriation of earnings for submission to the shareholders' meeting for resolution, and the amount to be distributed shall be no less than 50% of the Company's distributable earnings for the current year, and with the amount proposed to be distributed in cash dividends to be no less than 20% of the total amount of the dividends to be distributed to the shareholders.

1) Earnings distribution

The amounts for cash dividends of the Company's earnings distribution for 2025 and 2024 decided by the meetings of directors held on March 13, 2026 and March 6, 2025 were as follows:

	2025		2024	
	Amount per share (in dollars)	**Total amount**	**Amount per share (in dollars)**	**Total amount**
Dividends distributed to ordinary shareholders:				
Cash dividends	$ 1.919856	**1,000,000**	2.084210	**1,000,000**

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(o) Share-based payment

Based on the resolution made by the Board of Directors on May 6, 2024 and the issuance rules of employee stock options reported on the annual shareholders' meeting held on June 20, 2024, the Company will issue a total of 10,000 units employee stock options, with each unit having the right to subscribe 1,000 shares of the Company's ordinary shares, and was reported to the Securities and Futures Bureau of the Financial Supervisory Commission on December 3, 2024. In light of the above matter, the Company proposes to either issue the options at once or several times, depending on the actual demand, within two years from the date of the effective notification obtained from the authorities, with the actual date of issuance to be determined by the Chairman of the Company. The Chairman of the Company has approved the issuance of 8,708 units of employee stock options on April 8, 2025.

Details of the employee stock options are as follows:

(i) Employee stock option plan

(in unit)	For the three months ended June 30, 2026		For the three months ended June 30, 2025	
	Weighted Average Exercise Price (Dollars)	**Number of Options**	**Weighted Average Exercise Price (Dollars)**	**Number of Options**
Outstanding at January 1	$ 14.1	8,381	-	-
Granted during the year	-	-	15.0	8,708
Exercised during the period	-	-	-	-
Forfeited during the period	14.1	(270)	-	-
Outstanding at June 30	14.1	**8,111**	15.0	**8,708**
Exercisable at June 30		**-**	**-**	**-**

(ii) Exercise Price: The exercise price was NTD15 per share; after the adjustment for earnings distribution, the exercise price was NTD14.1 per share.

(iii) Rights Period:

1) The duration of the stock options is six years. The stock options and their rights may not be transferred, pledged, gifted, or otherwise disposed of, except in the case of inheritance. Upon expiration of the duration, any unexercised stock options will be deemed forfeited, and the option holders may no longer claim their rights.

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Option holders may exercise their stock options according to the following schedule after two years from the grant date:

Vesting Period of Stock Options	Cumulative Exercisable Percentage
After 2 years	40%
After 3 years	60%
After 4 years	80%
After 5 years	100%

(iv) Fulfillment Method: The Company will issue new shares to fulfill the options.

(v) Exercise Procedure: The Company will handle the capital change registration with the competent authority after the Board of Directors sets the record date for the issuance of new shares at least quarterly, in accordance with the employee stock option issuance and exercise regulations.

(vi) The Group recognized expenses of $10,943, $10,101, $21,766 and $10,101 for the employee stock options granted to the employees of the Company for the three months and six months ended June 30, 2026 and 2025, respectively. In addition, the capital surplus adjustment arising from employee stock options granted to the employees of the subsidiaries amounted to $257, $238, $511 and $238, respectively. The total capital surplus adjustment recognized were $11,200, $10,339, $22,277 and $10,339, respectively.

(vii) The Company adopted the Black-Scholes model to compute the fair value of its stock options on the grant date as follow:

Initial exercise price (New Taiwan dollars)	15
Fair value per share of the Company's stock at the measurement date (New Taiwan dollars)	30
Time to maturity	6 years
Expected dividend yield	0%
Expected volatility	27.03%~27.92%
Risk-free interest rate	1.41%~1.47%
Expected life of the option	4~5.5 years
Weighted average fair value (New Taiwan dollars/unit)	16.3~16.9 New Taiwan dollars

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(p) Earnings per share

The Group's basic earnings per share and diluted earnings per share are calculated as follows:

(i) Basic earnings (loss) per share

1) Profit (loss) attributable to ordinary shareholders of the Company

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Profit (loss) attributable to ordinary shareholders of the Company	**$ 917,919**	**(162,108)**	**1,645,796**	**160,640**

2) Weighted-average number of ordinary shares (thousands)

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Weighted-average number of ordinary shares	**492,660**	**478,035**	**486,574**	**476,329**

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
3) Basic earnings (loss) per share (NTD)	**$ 1.86**	**(0.34)**	**3.38**	**0.34**

(ii) Diluted earnings (loss) per share

1) Profit (loss) attributable to ordinary shareholders of the Company (diluted)

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Profit (loss) attributable to ordinary shareholders of the Company (basic)	$ 917,919	(162,108)	1,645,796	160,640
Convertible bonds payable	(1,617)	-	7,544	26,997
Profit (loss) attributable to ordinary shareholders of the Company (diluted)	**$ 916,302**	**(162,108)**	**1,653,340**	**187,637**

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Weighted-average number of ordinary shares (thousands, diluted)

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Weighted-average number of ordinary shares (basic)	492,660	478,035	486,574	476,329
Effect of convertible bonds	77,760	-	83,846	88,673
Employee stock options	3,786	-	3,428	407
Effect of employee stock remuneration	3,707	-	4,972	1,845
Weighted-average number of ordinary shares (diluted)	**577,913**	**478,035**	**578,820**	**567,254**

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
3) Diluted earnings (loss) per share (NTD)	**$ 1.59**	**(0.34)**	**2.86**	**0.33**

For the three months ended June 30, 2025, due to net losses after tax, the potential ordinary shares did not have a dilutive effect.

(q) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Primary geographical markets:				
Taiwan	$ 6,099,901	3,599,776	10,542,921	7,173,121
Hong Kong	17,920,532	13,429,612	33,094,973	26,120,004
China	9,570,794	9,961,110	17,674,613	18,008,585
Others	4,037,790	1,469,156	7,173,995	2,967,963
	$ 37,629,017	**28,459,654**	**68,486,502**	**54,269,673**

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Major products/ services lines				
Chipset/ memory components	$ 17,380,331	15,551,845	30,647,142	29,521,232
Mixed and other components	20,247,666	12,907,276	37,836,793	24,747,794
Others	1,020	533	2,567	647
	$ 37,629,017	28,459,654	68,486,502	54,269,673

(ii) Contract balance

	June 30, 2026	December 31, 2025	June 30, 2025
Notes and accounts receivable (included related parties)	$ 27,183,642	19,612,040	16,345,311
Less: loss allowance	(171,393)	(135,514)	(162,790)
	$ 27,012,249	19,476,526	16,182,521
Contract liabilities	$ 1,819,179	355,319	346,379

For the details on accounts receivable and loss allowance, please refer to note 6(d).

The amounts of revenue recognized for the six months ended June 30, 2026 and 2025 that were included in the contract liability balance at the beginning of the periods were $285,951 and $363,223, respectively.

The major change in the balance of contract liabilities is the difference between the time frame in the performance obligation to be satisfied and the payment to be received.

(r) Remuneration to employees and directors

The Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles of Incorporation, if the Company incurs profit for the year, the profit shall first be used to offset against any accumulated deficits. Thereafter, a maximum of 2.5% (in cash) of the remaining net profit shall be allocated as directors' remuneration, and 6% to 10% (in shares or in cash) as employee remuneration, including a minimum of 7% to those base-level employees. The distribution shall also include those employees of the Company's subsidiaries who meet certain requirements.

Prior to the amendment, the Articles of Incorporation stipulated that, if the Company incurs profit for the year, the profit shall first be used to offset against any accumulated deficits. Thereafter, a maximum of 2.5% (in cash) of the remaining net profit shall be allocated as directors' remuneration, and a minimum of 6% to 10% (in shares or in cash) as employee remuneration, including those employees of the Company's subsidiaries who meet certain requirements.

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

For the three months and six months ended June 30, 2026 and 2025, the accrued remuneration of the Company's employees (including the amount allocated to base-level employees) were $101,973, $(17,306), $183,142 and $18,938, as well as directors were $25,494, $(4,327), $45,786 and $4,734, respectively. These amounts were calculated by using the Company's profit before tax for the period before deducting the amount of the remuneration to employees and directors, multiplied by the distribution ratio of remuneration to employees and directors under the Company's Articles of Incorporation, and expensed under operating expenses. If the Board of Directors resolved to distribute employees' remuneration in the form of shares, the numbers of shares to be distributed were calculated based on the closing price of the Company's ordinary shares one day before the date of the meeting of the Board of Directors.

The accrued remuneration of the Company's employees was $97,864 and $127,717, as well as remuneration of directors was $24,466 and $31,929 for the years ended December 31, 2025 and 2024, respectively. There were no differences between the distributed amounts and the accrued amounts in the consolidated financial statements. Related information would be available at the Market Observation Post System website.

(s) Financial Instruments

Except for those mentioned below, there were no significant changes in the fair value of the Group's financial instruments and degree of exposure to credit risk. Please refer to the note 6(s) of the consolidated financial statements for the year ended December 31, 2025.

(i) Credit risk

For credit risk exposure of notes and accounts receivable, please refer to note 6(d).

The amount of other financial assets at amortized cost includes other receivables which had been impaired.

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments.

	Carrying Amount	Contractual cash flows	Within 1 year	Over 1 year
June 30, 2026				
Non-derivative financial liabilities				
Unsecured bank loans	$ 22,319,875	(22,521,254)	(22,521,254)	-
Short-term bills payable	1,198,052	(1,200,000)	(1,200,000)	-
Lease liabilities	172,277	(178,267)	(123,770)	(54,497)
Accounts payable	13,686,391	(13,686,391)	(13,686,391)	-
Other payables	1,286,372	(1,286,372)	(1,286,372)	-
Dividends payables	1,000,000	(1,000,000)	(1,000,000)	-
Bonds payable (including current portion)	1,695,502	(1,831,400)	(60,900)	(1,770,500)
Deposits received (recognized under other non-current liabilities)	193	(193)	-	(193)
	$ **41,358,662**	**(41,703,877)**	**(39,878,687)**	**(1,825,190)**

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	Carrying Amount	Contractual cash flows	Within 1 year	Over 1 year
December 31, 2025				
Non-derivative financial liabilities				
Secured bank loans	$ 38,650	(39,429)	(39,429)	-
Unsecured bank loans	17,436,558	(17,627,924)	(17,627,924)	-
Short-term bills payable	1,198,084	(1,200,000)	(1,200,000)	-
Lease liabilities	246,939	(256,256)	(158,528)	(97,728)
Accounts payable	8,558,300	(8,558,300)	(8,558,300)	-
Other payables	952,270	(952,270)	(952,270)	-
Bonds payable (including current portion)	2,707,549	(2,935,900)	(435,900)	(2,500,000)
Deposits received (recognized under other non-current liabilities)	193	(193)	-	(193)
Derivative financial liabilities				
Convertible bonds payable – embedded derivatives	25,250	-	-	-
	$ 31,163,793	(31,570,272)	(28,972,351)	(2,597,921)
June 30, 2025				
Non-derivative financial liabilities				
Unsecured loans	$ 14,454,214	(14,596,907)	(14,596,907)	-
Short-term bills payable	1,168,169	(1,170,000)	(1,170,000)	-
Lease liabilities	223,079	(233,270)	(121,303)	(111,967)
Accounts payable	7,400,155	(7,400,155)	(7,400,155)	-
Other payables	762,854	(762,854)	(762,854)	-
Dividends payables	1,000,000	(1,000,000)	(1,000,000)	-
Bonds payable (including current portion)	2,688,677	(2,948,800)	(448,800)	(2,500,000)
Deposits received (recognized under other non-current liabilities)	193	(193)	-	(193)
Derivative financial liabilities				
Convertible bonds payable – embedded derivatives	25,224	-	-	-
	$ 27,722,565	(28,112,179)	(25,500,019)	(2,612,160)

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

(iii) Market risk

1) Currency risk

The Group’s significant financial assets and liabilities exposed to foreign currency risk was as follows:

	June 30, 2026			December 31, 2025			June 30, 2025		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
Financial assets									
Monetary items									
USD	$ 484,173	USD/NTD 31.865	15,428,173	383,824	USD/NTD 31.375	12,042,478	377,736	USD/NTD 29.155	11,012,893
USD	474	USD/CNY 6.8397	15,104	1,610	USD/CNY 7.0872	50,514	2,820	USD/CNY 7.1937	82,217

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	June 30, 2026			December 31, 2025			June 30, 2025		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
Financial liabilities									
Monetary items									
USD	309,425	USD/NTD 31.865	9,859,828	222,012	USD/NTD 31.375	6,965,627	232,690	USD/NTD 29.155	6,784,077
USD	41,141	USD/CNY 6.8397	1,310,958	28,558	USD/CNY 7.0872	896,007	34,467	USD/CNY 7.1937	1,004,885

2) Sensitivity analysis

The Group's monetary items exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, loans and borrowings, accounts payable and other payables that are denominated in foreign currency. A change of 5% in the exchange rate of NTD against foreign currency for the six months ended June 30, 2026 and 2025 would have increased (decreased) the net profit before tax as follows. The analysis is performed on the same basis for both periods.

	For the six months ended June 30,	
	2026	2025
USD (against the NTD)		
Appreciating 5%	$ 278,417	211,441
Depreciating 5%	(278,417)	(211,441)
USD (against the CNY)		
Appreciating 5%	(64,793)	(46,133)
Depreciating 5%	64,793	46,133

3) Exchange gains and losses of monetary items

As the Group deals in diverse foreign currencies, gains or losses on foreign exchange were summarized as a single amount. For the three months and six months ended June 30, 2026 and 2025, the foreign exchange gain, including both realized and unrealized, amounted to $42,927, $259,297, $159,579 and $263,012, respectively.

4) Equity market price risk

If the fair value of equity instruments (including the stocks listed on domestic market at stock exchange (over-the-counter) market shares, domestic emerging market shares and domestic and foreign unlisted shares) changed at the reporting date. (with the same analysis performed for both periods, assuming all other variables remaining constant), it would have resulted in the change in the comprehensive income as illustrated below:

(Continued)

	For the six months ended June 30,			
	2026		2025	
Securities prices at reporting date	**Other comprehensive income before tax**	**Net income before tax**	**Other comprehensive income before tax**	**Net income before tax**
Increasing 5%	$ 3,848	33	3,986	40
Decreasing 5%	$ (3,848)	(33)	(3,986)	(40)

5) Interest rate analysis

The details of financial assets and liabilities exposed to interest rate risk were as follows:

	Carrying amount	
	June 30, 2026	**June 30, 2025**
Variable rate instruments:		
Financial assets	$ 3,138,231	2,376,051
Financial liabilities	(22,319,875)	(14,454,214)

The following sensitivity analysis is based on the risk exposure to interest rate on the derivative and non-derivative financial instruments at the reporting date. Regarding the assets and liabilities with variable interest rates, the analysis is based on the assumption that the amount of assets and liabilities outstanding at the reporting date were outstanding throughout the year. The rate of change is expressed as the interest rate increase or decrease by 0.25% when reporting to management internally, which also represents the Group's management's assessment of the reasonably possible interest rate change.

If the interest rate had increased or decreased by 0.25%, the Group's net profit before tax would have decreased or increased by $23,977 and $15,098 for the six months ended June 30, 2026 and 2025, respectively, which would be mainly resulting from demand deposits and bank loans with variable interest rates.

(iv) Fair value information

1) Categories and the fair value of financial instruments

The fair value of financial assets and liabilities at fair value through profit or loss, and financial assets at fair value through other comprehensive income are measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	June 30, 2026				
		Fair Value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets mandatorily measured at fair value through profit or loss					
Stocks listed on domestic markets	$ 650	650	-	-	650
Convertible bonds – embedded derivatives	2,485	-	2,485	-	2,485
Subtotal	3,135				
Financial assets at fair value through other comprehensive income					
Notes and accounts receivable, net	3,825,510	-	-	-	-
Emerging market stocks	148	148	-	-	148
Domestic and overseas unlisted stocks	76,819	-	-	76,819	76,819
Overseas unlisted convertible promissory note	9,056	-	-	9,056	9,056
Subtotal	3,911,533				
Financial assets measured at amortized cost					
Cash and cash equivalents	3,711,920	-	-	-	-
Notes and accounts receivable, net	23,186,739	-	-	-	-
Other receivables	656,504	-	-	-	-
Guarantee deposits (recognized under other non-current assets)	136,921	-	-	-	-
Subtotal	27,692,084				
	$ 31,606,752				
Financial liabilities measured at amortized cost					
Short term borrowings	$ 23,517,927	-	-	-	-
Lease liabilities	172,277	-	-	-	-
Accounts payable	13,686,391	-	-	-	-
Other payables	1,286,372	-	-	-	-
Dividends payable	1,000,000	-	-	-	-
Bonds payable (including current portion)	1,695,502	-	1,689,060	-	1,689,060
Deposits received (recognized under other non-current liabilities)	193	-	-	-	-
	$ 41,358,662				

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	December 31, 2025				
		Fair Value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets mandatorily measured at fair value through profit or loss					
Stocks listed on domestic markets	$ 740	740	-	-	740
Convertible bonds – embedded derivatives	87	-	87	-	87
Subtotal	827				
Financial assets at fair value through other comprehensive income					
Notes and accounts receivable, net	3,650,017	-	-	-	-
Emerging market stocks	114	114	-	-	114
Domestic and overseas unlisted stocks	79,383	-	-	79,383	79,383
Overseas unlisted convertible promissory note	9,056	-	-	9,056	9,056
Subtotal	3,738,570				
Financial assets measured at amortized cost					
Cash and cash equivalents	2,949,810	-	-	-	-
Notes and accounts receivable, net	15,826,509	-	-	-	-
Other receivables	392,831	-	-	-	-
Guarantee deposits (recognized under other current assets and other non-current assets)	127,988	-	-	-	-
Subtotal	19,297,138				
	$ 23,036,535				
Financial liabilities at fair value through profit or loss					
Convertible bonds – embedded derivatives	$ 25,250	-	25,250	-	25,250
Financial liabilities measured at amortized cost					
Short term borrowings	18,673,292	-	-	-	-
Lease liabilities	246,939	-	-	-	-
Accounts payable	8,558,300	-	-	-	-
Other payables	952,270	-	-	-	-
Bonds payable (including current portion)	2,707,549	-	2,718,550	-	2,718,550
Deposits received (recognized under other non-current liabilities)	193	-	-	-	-
Subtotal	31,138,543				
	$ 31,163,793				

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	June 30, 2025				
		Fair Value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets mandatorily measured at fair value through profit or loss					
Stocks listed on domestic markets	$ 799	799	-	-	799
Financial assets at fair value through other comprehensive income					
Notes and accounts receivable, net	2,729,201	-	-	-	-
Emerging market stocks	142	142	-	-	142
Domestic and overseas unlisted stocks	79,583	-	-	79,583	79,583
Overseas unlisted convertible promissory note	9,056	-	-	9,056	9,056
Subtotal	2,817,982				
Financial assets measured at amortized cost					
Cash and cash equivalents	3,381,065	-	-	-	-
Notes and accounts receivable, net	13,453,320	-	-	-	-
Other receivables	585,799	-	-	-	-
Guarantee deposits (recognized under other current assets and other non-current assets)	212,078	-	-	-	-
Subtotal	17,632,262				
	$ 20,451,043				
Financial liabilities at fair value through profit or loss					
Convertible bonds – embedded derivatives	$ 25,224	-	25,224	-	25,224
Financial liabilities measured at amortized cost					
Short-term borrowings	15,622,383	-	-	-	-
Lease liabilities	223,079	-	-	-	-
Accounts payable	7,400,155	-	-	-	-
Other payables	762,854	-	-	-	-
Dividends payable	1,000,000	-	-	-	-
Bonds payable (including current portion)	2,688,677	-	2,693,502	-	2,693,502
Deposits received (recognized under other non-current liabilities)	193	-	-	-	-
Subtotal	27,697,341				
	$ 27,722,565				

There were no transfers of financial instruments between any levels during the six months ended June 30, 2026 and 2025.

(Continued)

2) Valuation techniques for financial instruments not measured at fair value

The Group’s valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

Financial assets measured at amortized cost

If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate fair values.

3) Valuation technique of financial instruments measured at fair value

a) Non-derivative financial instruments

If the financial instrument has a public quoted price in an active market, the public quoted price will be determined as the fair value. The measurements on fair value of the financial instruments without an active market are determined using the valuation technique or the quoted market price of its counterparts. Fair value measured using the valuation technique can be extrapolated from similar financial instruments, discounted cash flow method, or other valuation techniques which include the model used in calculating the observable market data at the consolidated balance sheet date.

The Group holds the unquoted equity investments and debt instruments that do not have an active market. The fair value of unquoted equity instruments and debt instruments is estimated using the guideline company method. The main assumptions of the method are based on the guideline company’s price to sales ratio, price to net worth ratio, and the discount for lack of market liquidity. The estimation has been adjusted by the effect resulting from the discount of the lack of market liquidity of the equity securities and debt investments.

b) Derivative financial instruments

Measurement of fair value of derivative instruments is based on the valuation techniques that are generally accepted by the market participants. For instance, discount method or option pricing models. Fair value of forward currency exchange is usually determined by using the forward currency rate.

4) Reconciliations of Level 3 fair values

	Fair value through other comprehensive income		
	Unquoted equity instruments	**Unquoted debt investments**	**Total**
Opening balance, January 1, 2026	$ 79,383	9,056	88,439
Capital refunded	(2,564)	-	(2,564)
Ending balance, June 30, 2026	**$ 76,819**	**9,056**	**85,875**
Ending balance, June 30, 2025 (the same as the balance at January 1, 2025)	**$ 79,583**	**9,056**	**88,639**

5) Quantified information of significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value are classified as financial assets at fair value through other comprehensive income (including investments in equity securities and debt instruments).

Quantified information of significant unobservable inputs was as follows:

Item	**Valuation technique**	**Significant unobservable inputs**	**Inter-relationships between significant unobservable inputs and fair value measurement**
Financial assets at fair value through other comprehensive income	Guideline Company method	· Price-book ratio as of June 30, 2026, December 31 and June 30, 2025 were 1.71~5.20, 1.50~1.51 and 1.43~1.54, respectively.	· The higher the price-book ratio, the higher the fair value
		· Market liquidity discount rate as of June 30, 2026, December 31 and June 30, 2025 were 15.60%.	· The higher the market liquidity discount rate, the lower the fair value
Financial assets at fair value through other comprehensive income	Net Asset Value Method	· Net asset value	· Not applicable

(t) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in the note 6(t) of the consolidated financial statements for the year ended December 31, 2025.

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(u) Capital management

The Group's objectives, policies and processes of capital management are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2025. In addition, there were no significant differences between the summary quantitative data of the items of capital management in the consolidated financial statements and those disclosed in the consolidated financial statements for the year ended December 31, 2025. Please refer to note 6(u) of the consolidated financial statements for the year ended December 31, 2025 for other related details.

(v) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow for the six months ended June 30, 2026 and 2025, were as follows:

(i) For the acquisition of right-of-use assets from leases, please refer to note 6(g).

(ii) For conversion of convertible bonds to ordinary shares, please refer to note 6(i).

(iii) The reconciliations of liabilities arising from financing activities were as follows:

			Non-cash changes			
	January 1, 2026	**Cash flows**	**Acquisition**	**Reduction**	**Foreign exchange movement**	**June 30, 2026**
Short-term borrowings	$ 18,673,292	3,276,687	1,567,948	-	-	23,517,927
Deposits received	193	-	-	-	-	193
Lease liabilities	246,939	(80,005)	2,010	(2,175)	5,508	172,277
Bonds payable	2,707,549	-	29,988	(1,042,035)	-	1,695,502
Total liabilities from financing activities	**$ 21,627,973**	**3,196,682**	**1,599,946**	**(1,044,210)**	**5,508**	**25,385,899**

			Non-cash changes			
	January 1, 2025	**Cash flows**	**Acquisition**	**Reduction**	**Foreign exchange movement**	**June 30, 2025**
Short-term borrowings	$ 17,340,753	(2,542,745)	824,375	-	-	15,622,383
Deposits received	193	-	-	-	-	193
Lease liabilities	289,537	(75,286)	28,219	-	(19,391)	223,079
Bonds payable	2,800,093	(3,045)	31,709	(140,080)	-	2,688,677
Total liabilities from financing activities	**$ 20,430,576**	**(2,621,076)**	**884,303**	**(140,080)**	**(19,391)**	**18,534,332**

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(7) Related-party transactions

(a) Name of related parties and their relationships with related parties

The following are related parties that have had transactions with the Group during the periods covered in the consolidated financial statements:

Related-party	Relationship
Weiji Investment Co., Ltd.	The same chairman

(b) Significant transactions with related parties

(i) Consultancy fees from related parties

Other related parties were commissioned to provide consulting services to the Group. The amounts were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Other related parties	$ 50	50	100	100

(ii) Lease

The Group leased a portion of its building to related parties for office use purposes. The rentals collected monthly. The details were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Other related parties	$ 43	43	86	86

(c) Key management personnel compensation

Key management personnel compensation comprised:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Short-term employee benefits	$ 104,839	20,640	195,786	77,417
Post-employment benefits	218	190	436	380
Share-based payments	332	-	832	-
	$ 105,389	20,830	197,054	77,797

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(8) Assets Pledged as security:

The carrying amounts of pledged assets were as follows:

Pledged assets	Pledged to secure	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable	Guarantee for short-term borrowings	$ -	38,650	-

(9) Significant commitments and contingencies:

The balances of L/Cs for deferred payment of import value added tax and the purchase of merchandise were as follows:

June 30, 2026	December 31, 2025	June 30, 2025
$ 395,515	390,125	365,705

(10) Losses due to major disasters: None.

(11) Subsequent events: None.

(12) Other:

(a) A summary of employee benefits, depreciation and amortization by function, is as follows:

	For the three months ended June 30,	
By function	2026	2025
By item	Operating expenses	Operating expenses
Employee benefits		
Salary	509,754	315,343
Labor and health insurance	33,157	29,182
Pension	32,105	28,171
Remuneration of directors	44,248	(2,513)
Others	23,588	18,218
Depreciation	44,745	42,532
Amortization	2,184	2,162

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the six months ended June 30,	
By function	2026	2025
By item	Operating expenses	Operating expenses
Employee benefits		
Salary	980,816	674,795
Labor and health insurance	67,064	61,663
Pension	62,959	57,235
Remuneration of directors	73,865	13,008
Others	45,555	35,284
Depreciation	89,265	85,581
Amortization	4,332	4,360

(b) Seasonality of operations:

The Group’s operations were not affected by seasonality or cyclically factors.

(13) Other disclosure items:

(a) Information on significant transaction:

The following were the information on significant transactions required by the “ Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the six months ended June 30, 2026:

(i) Lending to other parties:

(In thousands of new Taiwan dollars)

No.	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing	Note
													Item	Value			
0	The Company	WKI	Other receivable	Y	1,920,000	1,911,900	1,911,900	4.76%	Short-term financing	-	Operating demand	-		-	2,509,781	5,019,562	Note 3

Note 1： The total amount of funds loaned to others by the Company shall not exceed 40% of the net worth of the Company’s latest financial statement.

Note 2： When a short-term financing facility with the Company is necessary, the total amount for lending to any company shall not exceed 20% of the net worth of the Company’s latest financial statement.

Note 3： The transaction had been eliminated in the consolidated financial statements.

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Guarantees and endorsements for other parties:

(In thousands of new Taiwan dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary (Note 2)	Subsidiary endorsements/ guarantees to third parties on behalf of parent company (Note 2)	Endorsements/ guarantees to third parties on behalf of companies in Mainland China (Note 2)
		Name	Relationship with the Company										
0	The Company	WKI	100% owned subsidiary	18,823,360	11,214,000	10,249,445	7,981,859	-	81.68 %	37,646,721	Y	N	N
〃	〃	WTP	100% owned subsidiary	18,823,360	1,232,000	1,210,870	910,859	-	9.65 %	37,646,721	Y	N	N
〃	〃	WKS	100% owned subsidiary	18,823,360	4,603,080	4,603,080	3,612,006	-	36.68 %	37,646,721	Y	N	Y

Note 1：The total amount of the guarantee provided by the Company shall not exceed three hundred percent (300%) of the higher amount between the Company's capital amount and net worth. However, for any individual entity whose voting shares are 50% or more owned, directly or indirectly, by the Company shall not exceed fifty percent (50%) of the maximum amount for guarantee on recent audited or reviewed financial statements.

Note 2：For those entities as the guarantor to the subsidiary, subsidiary as the guarantor to the company, or the guarantor that located in China, were filled in "Y".

(iii) Material securities held as of June 30, 2026 (excluding investment in subsidiaries, associates and joint ventures):

(Shares/units (thousands))

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying amount	Percentage of ownership (%)	Fair value	
The Company	EBM Technologies Inc.	-	Current financial assets mandatorily measured at fair value through profit or loss	34	650	- %	650	
〃	Clientron Corp.	-	Non-current financial assets at fair value through other comprehensive income	15	148	0.02 %	148	
〃	Paradigm I Venture Capital Company (Paradigm I)	-	〃	750	7,458	6.79 %	7,458	
〃	Paradigm Venture Capital Corporation (PVC Corp.)	-	〃	230	2,301	10.49 %	2,301	
〃	InnoBridge Venture Fund I, L.P. (InnoBridge)	-	〃	-	-	9.90 %	-	
〃	Shin Kong Global Venture Capital Corp. (SKGVC)	-	〃	432	4,636	12.00 %	4,636	
〃	Vision Wide Technology Co., Ltd. (VTEC)	-	〃	800	8,833	1.57 %	8,833	
〃	Winsheng Material Technology Co., Ltd. (Winsheng Material)	-	〃	1,690	53,591	5.08 %	53,591	
〃	SiTune Corporation Convertible Promissory Note (SiTune)	-	〃	-	9,056	- %	9,056	

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NTD100 million or 20% of the capital stock:

(In thousands)

			Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		
Name of company	Related party	Nature of relationship	Purchases/ (Sales)	Amount	Percentage of total purchases/ (sales)	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	Note
The Company	WKI	100% owned subsidiary	Purchases	112,065 (USD3,543)	0.45 %	OA30	No significant difference with other suppliers	No significant difference with other suppliers	- (USD-)	- %	
The Company	WTP	100% owned subsidiary	(Sales)	(373,068) (USD(11,799))	(1.47)%	〃	No significant difference with other customers	No significant difference with other customers	356,369 (USD11,184)	2.97 %	
WTP	The Company	Parent company	Purchases	373,068 (USD11,799)	17.29 %	〃	No significant difference with other suppliers	No significant difference with other suppliers	(356,369) (USD(11,184))	(44.89) %	
WKI	The Company	Parent company	(Sales)	(112,065) (USD(3,543))	(0.32)%	〃	No significant difference with other customers	No significant difference with other customers	- (USD-)	- %	
WKI	WKS	Subsidiary	(Sales)	(3,362,929) (USD(106,377))	(9.67)%	OA60	No significant difference with other customers	No significant difference with other customers	1,309,764 (USD41,104)	11.62 %	
WKS	WKI	Parent company	Purchases	3,362,929 (USD106,377)	33.28 %	〃	No significant difference with other suppliers	No significant difference with other suppliers	(1,309,764) (USD(41,104))	(49.15) %	

Note: The amounts of the transaction and the ending balance had been offset in the consolidated financial statements.

(v) Receivables from related parties with amounts exceeding the lower of NTD100 million or 20% of the capital stock:

(In thousands)

					Overdue				
Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Amount	Action taken	Amounts received in subsequent period (Note)	Allowance for bad debts	Note
The Company	WKI	100% owned subsidiary	Other receivable 2,289,011 (USD71,835)	Note 2	-	-	USD393	-	The amounts of the transaction and the ending balance had been offset in the consolidated financial statements.
The Company	WTP	100% owned subsidiary	Accounts receivable 356,369 (USD11,184)	2.82	-	-	USD40	-	〃
WKI	WKS	Subsidiaries	Accounts receivable 1,309,764 (USD41,104)	6.11	-	-	USD7,861	-	〃

Note1: Information as of August 5, 2026.

Note 2: Other receivables arising from lending fund and credit and service management revenue received from subsidiaries.

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(vi) Business relationships and significant intercompany transactions:

(In thousands)

No. (Note 1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	The Company	WKI	1	Management and Credit Service Revenue	333,723	The price is set by percentage of the contract and the receivable is received quarterly.	0.49%
〃	〃	〃	〃	Other Receivable	346,568	The price is set by percentage of the contract and the receivable is received quarterly.	0.60%
〃	〃	〃	〃	Other Receivable	1,942,443	The loan bears interest at a rate of 4.76%.	3.34%
〃	〃	WTP	〃	Sales Revenue	373,068	The price is marked up based on operating cost, and the receivables depend on OA30 after offsetting the accounts payable.	0.54%
〃	〃	〃	〃	Accounts Receivable	356,369	The price is marked up based on operating cost, and the receivables depend on OA30 after offsetting the accounts payable.	0.61%
1	WKI	The Company	2	Sales Revenue	112,065	The price is marked up based on operating cost, and the receivables depend on OA30 after offsetting the accounts payable.	0.16%
〃	〃	WKS	3	Sales Revenue	3,362,929	The price is marked up based on operating cost, and the receivables depend on funding demand and OA60.	4.91%
〃	〃	〃	〃	Accounts Receivable	1,309,764	The price is marked up based on operating cost, and the receivables depend on funding demand and OA60.	2.25%
2	WKS	WKI	〃	Service Revenue	240,965	The price is set by percentage of the contract, OA30.	0.35%

Note 1: The numbers filled in as follows:
1. 0 represents the Company.
2. Subsidiaries are sorted in a numerical order starting from 1.

Note 2: Relationship with the transactions labeled as follows:
1 represents the transactions from the parent company to its subsidiaries.
2 represents the transactions from the subsidiaries to the parent company.
3 represents the transactions between subsidiaries.

(Continued)

WEIKENG INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Information on investments:

The following are the information on investees for the six months ended June 30, 2026 (excluding information on investments in Mainland China):

(In thousands)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount: June 30, 2026	Original investment amount: December 31, 2025	Balance as of June 30, 2026: Shares (In Thousands)	Balance as of June 30, 2026: Percentage of Ownership	Balance as of June 30, 2026: Carrying amount	Net income (losses) of investee	Investment income (losses) of investor	Note
The Company	WKI	Hong Kong	Electronic components computer peripherals products distribution and technical support	$ 1,620,445	1,620,445	552,450	100%	8,241,806	769,483	769,483	Subsidiary
〃	WKZ	Taiwan	Electronic components and technical support	12,983	12,983	1,589	100%	30,666	515	515	〃
〃	WTP	Singapore	〃	293,327	293,327	12,413	100%	501,426	23,617	23,617	〃
	Total			$ 1,926,755	1,926,755			8,773,898		793,615	
WKI	Weitech	Hong Kong	Import and export trade of electronic components	0.41 (HKD0.1)	0.41 (HKD0.1)	-	100%	3,865 (USD121)	253 (USD8)	253 (USD8)	〃

(c) Information on investment in Mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(In thousands)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2026	Investment flows: Outflow (Note 3)	Investment flows: Inflow	Accumulated outflow of investment from Taiwan as of June 30, 2026	Net income (losses) of the investee (Note 2)	Percentage of ownership	Investment income (losses) of investor (Note 2)	Book value (Note 3)	Accumulated remittance of earnings in current period
WKS	Electronic components computer peripherals products distribution and technical support	786,647 (USD25,000)	Note 1, 4	304,594 (USD9,800)	-	-	304,594 (USD9,800)	203,174 (USD6,427)	100%	203,174 (USD6,427)	694,038 (USD21,781)	-
SiU	Electronic technology development and technical advisory	5,067 (CNY1,000)	Note 1, 5	-	-	-	-	5,390 (USD171)	100%	5,390 (USD171)	13,626 (USD428)	-

(ii) Upper limit on investment in Mainland China:

Accumulated Investment in Mainland China as of June 30, 2026	Investment Amounts Authorized by Investment Commission, MOEA (Note 3)	Upper Limit on Investment
304,594 (USD9,800)	796,625 (USD25,000)	7,529,344

Note 1: Investment in Mainland China was through a company in the third area.

Note 2: The investment gains and losses of the current period are recognized according to the financial statements, which have been reviewed by the Company’s independent auditors, and were translated into New Taiwan Dollars at the average exchange rates.

Note 3: The currency was translated into New Taiwan Dollars at the exchange rate of USD 1 to NTD 31.865 at the end of reporting period.

Note 4: The difference was due to Weikeng International Co., Ltd.’s investment of USD15,200 thousand on Weikeng International (Shanghai) Co., Ltd. using its own funds.

Note 5: The difference was due to Weikeng International (Shanghai) Co., Ltd.’s investment of CNY1,000 thousand on SiUltra Electronic Technology (Shanghai) Co., Ltd. using its own funds.

(Continued)

(iii) Significant transactions:

Please refer to "Information on significant transactions" for the information on significant direct or indirect transactions, which were eliminated in the preparation of consolidated financial statements, between the Group and the investee companies in Mainland China for the six months ended June 30, 2026.

(14) Segment information:

The Group has only one operating segment, which is the electronic components segment, of which, the major activities are the purchase and sale of electronic components and computer peripherals, technical service, as well as the import/ export trade business. The Group's details and reconciliations of operating segment are consistent with the consolidated financial statements. Please refer to the consolidated statements of comprehensive income and the consolidated balance sheets for the segment profit and assets, respectively.