

Advanced Wireless Semiconductor Company
Financial Statements
With Independent Auditors' Review Report
For the Three Months Ended March 31, 2026 and 2025

Address: No.6, Dali 1st Rd. Tainan Science-Based Industrial Park Hsin Shi Dist, Tainan
City Taiwan, R.O.C.
Telephone: (06)505-0999

The independent auditors' report and the accompanying 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' report and 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. Balance Sheets	4
5. Statements of Comprehensive Income	5
6. Statements of Changes in Equity	6
7. Statements of Cash Flows	7
8. Notes to the Financial Statements	
(1) Company history	8
(2) Approval date and procedures of the financial statements	8
(3) New standards, amendments and interpretations adopted	8~10
(4) Summary of material accounting policies	10
(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	11
(6) Explanation of significant accounts	11~29
(7) Related-party transactions	30~31
(8) Pledged assets	31
(9) Commitments and contingencies	31
(10) Losses due to major disasters	31
(11) Subsequent events	31
(12) Other	31
(13) Other disclosures	
(a) Information on significant transactions	32
(b) Information on investees	32
(c) Information on investment in mainland China	32
(14) Segment information	32

Independent Auditors' Review Report

To the Board of Directors
Advanced Wireless Semiconductor Company:

Introduction

We have reviewed the balance sheets of Advanced Wireless Semiconductor Company as of March 31, 2026 and 2025, and the related statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2026 and 2025, and notes to the financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the 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 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 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 financial statements do not present fairly, in all material respects, the financial position of Advanced Wireless Semiconductor Company as of March 31, 2026 and 2025, and of its financial performance and its cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting", endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Chun-Yuan Wu and Yung-Hua Huang.

KPMG

Taipei, Taiwan (Republic of China)

May 7, 2026

Notes to Readers

The accompanying financial statements are intended only to present the statement of financial position, financial performance and its 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 financial statements are those generally accepted and applied in the Republic of China.

The auditors' report and the accompanying 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 auditors' report and financial statements, the Chinese version shall prevail.

(English Translation of Financial Statements Originally Issued in Chinese)

Advanced Wireless Semiconductor Company

Statements of Comprehensive Income

For the three months ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

		For the three months ended March 31,			
		2026		2025	
		Amount	%	Amount	%
4000	Operating revenue (note 6(18))	\$ 1,222,318	100	771,758	100
5000	Operating costs (notes 6(4), (13), (14) and (19))	799,017	65	610,375	79
	Gross profit from operations	<u>423,301</u>	<u>35</u>	<u>161,383</u>	<u>21</u>
	Operating expenses (notes 6(13), (14),(19) and 7):				
6100	Selling expenses	9,269	1	7,039	1
6200	Administrative expenses	26,190	2	31,204	4
6300	Research and development expenses	<u>53,489</u>	<u>5</u>	<u>44,059</u>	<u>6</u>
		<u>88,948</u>	<u>8</u>	<u>82,302</u>	<u>11</u>
	Net operating income	<u>334,353</u>	<u>27</u>	<u>79,081</u>	<u>10</u>
	Non-operating income and expenses:				
7100	Interest income (note 6(20))	17,078	1	12,825	2
7020	Other gains and losses (notes 6(20) and 7)	9,494	1	5,672	1
7050	Finance costs (notes 6(13) and (20))	<u>(2,257)</u>	<u>-</u>	<u>(467)</u>	<u>-</u>
		<u>24,315</u>	<u>2</u>	<u>18,030</u>	<u>3</u>
	Income before income tax	358,668	29	97,111	13
7950	Less: Income tax expenses (note 6(15))	<u>61,811</u>	<u>5</u>	<u>14,587</u>	<u>2</u>
	Net income	<u>296,857</u>	<u>24</u>	<u>82,524</u>	<u>11</u>
8300	Other comprehensive income (after tax)	-	-	-	-
8500	Total comprehensive income	<u>\$ 296,857</u>	<u>24</u>	<u>82,524</u>	<u>11</u>
	Earnings per share (NT dollars) (note 6(17))				
9750	Basic earnings per share	<u>\$ 1.51</u>		<u>0.42</u>	
9850	Diluted earnings per share	<u>\$ 1.51</u>		<u>0.42</u>	

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

Advanced Wireless Semiconductor Company

Statements of Changes in Equity

For the three months ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	Ordinary shares	Capital surplus	Retained earnings		Total retained earnings	Total equity
			Legal reserve	Unappropriated retained earnings		
Balance at January 1, 2025	\$ 1,965,161	4,140,631	466,033	1,234,700	1,700,733	7,806,525
Net income for the period	-	-	-	82,524	82,524	82,524
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	82,524	82,524	82,524
Appropriation and distribution of retained earnings:						
Legal reserve	-	-	52,092	(52,092)	-	-
Cash dividends of ordinary shares	-	-	-	(233,854)	(233,854)	(233,854)
Balance at March 31, 2025	\$ 1,965,161	4,140,631	518,125	1,031,278	1,549,403	7,655,195
Balance at January 1, 2025	\$ 1,965,161	4,140,631	518,125	1,608,902	2,127,027	8,232,819
Net income for the period	-	-	-	296,857	296,857	296,857
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	296,857	296,857	296,857
Appropriation and distribution of retained earnings:						
Legal reserve	-	-	66,015	(66,015)	-	-
Cash dividends of ordinary share	-	-	-	(330,147)	(330,147)	(330,147)
Balance at March 31, 2026	\$ 1,965,161	4,140,631	584,140	1,509,597	2,093,737	8,199,529

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

Advanced Wireless Semiconductor Company

Statements of Cash Flows

For the three months ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31,	
	2026	2025
Cash flows from operating activities:		
Income before income tax	\$ 358,668	97,111
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expenses	177,748	167,761
Amortization expenses	2,405	1,948
Net loss (increase) on financial assets or liabilities at fair value through profit or loss	196	(8)
Interest expense	2,257	467
Interest income	(17,078)	(12,825)
Recognition (reversal) of write-down of inventory	2,898	(3,087)
Provision for liabilities	185	-
Total adjustments to reconcile profit	<u>168,611</u>	<u>154,256</u>
Changes in operating assets and liabilities:		
Notes and accounts receivable	85,265	(28,406)
Other receivables—related parties	(12)	-
Inventories	(117,584)	55,304
Prepayments of materials	(199)	(1,358)
Other financial assets	(5,958)	(902)
Other operating assets	(1,737)	5,166
Contract liabilities	21,090	10,605
Accounts payable	31,042	(28,791)
Other payables—related parties	(230)	-
Other operating liabilities	(3,280)	(34,571)
Total changes in operating assets and liabilities	<u>8,397</u>	<u>(22,953)</u>
Total adjustments	<u>177,008</u>	<u>131,303</u>
Cash inflow generated from operations	535,676	228,414
Interest received	16,950	12,332
Interest paid	(4,694)	(3,572)
Income taxes paid	(1,610)	(1,149)
Net cash flows generated from operating activities	<u>546,322</u>	<u>236,025</u>
Cash flows from investing activities:		
Acquisition of financial assets at fair value through profit or loss	(73,680)	(19,749)
Proceeds from disposal of financial assets at fair value through profit or loss	73,790	19,757
Acquisition of property, plant and equipment and prepayments of equipment	(102,300)	(36,635)
Acquisition of intangible assets	(6,419)	(3,595)
Increase in other financial assets	(2,098,400)	(229,369)
Net cash flows used in investing activities	<u>(2,207,009)</u>	<u>(269,591)</u>
Cash flows from financing activities:		
Increase in short-term borrowings	25,000	-
Increase in long-term borrowings	-	90,000
Repayments of long-term borrowings	(106,726)	(28,499)
Payment of lease liabilities	(2,164)	(2,001)
Net cash flows generated from (used in) financing activities	<u>(83,890)</u>	<u>59,500</u>
Net increase (decrease) in cash and cash equivalents	<u>(1,744,577)</u>	<u>25,934</u>
Cash and cash equivalents at beginning of period	<u>3,450,343</u>	<u>2,826,099</u>
Cash and cash equivalents at end of period	<u>\$ 1,705,766</u>	<u>2,852,033</u>

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

Advanced Wireless Semiconductor Company

Notes to the Financial Statements

March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

1. Company history

Advanced Wireless Semiconductor Company (the “Company”) was incorporated on December 30, 1998, as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) and other applicable regulations. The Company is primarily engaged in the research, development, production, testing, and manufacturing and sales of gallium arsenide (GaAs) wafers.

The common stocks of the Company had been traded in the Taipei Exchange since June 2009.

2. Approval date and procedures of the financial statements:

The financial statements were authorized for issue by the Board of Directors on May 7, 2026.

3. New standards, amendments and interpretations adopted:

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

The Company has initially adopted the following new amendments, which do not have a significant impact on its 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”

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

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

The following new and amended standards, which may be relevant to the Company, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>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.</p> <ul style="list-style-type: none"> ● 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. 	January 1, 2027 note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

Advanced Wireless Semiconductor Company

Notes to the Financial Statements

The Company is evaluating the impact on its financial position and financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Company completes its evaluation.

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

4. Summary of material accounting policies:

(1) Statement of compliance

These 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 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 financial statements.

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

(2) Provision

Carbon fees

Carbon fees levied in accordance with Taiwan's Climate Change Response Act and Regulations Governing the Collection of Carbon Fees are recognized when the annual greenhouse gas emissions are probably to exceed the threshold, and the amount is estimated based on the proportion of greenhouse gas emissions that have occurred as of the reporting date divided by the total annual greenhouse gas emissions.

(3) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of IAS 34 "Interim Financial 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 and allocated to current and deferred taxes based on its proportionate size.

Advanced Wireless Semiconductor Company
Notes to the 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.

Except for the following, the preparation of the interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the financial statements for the year ended December 31, 2025. For related information, please refer to note 5 of the 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 financial statements for the current period and the 2025 financial statements. Please refer to the note 6 of the financial statements for the year ended December 31, 2025.

(1) Cash and cash equivalents

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Cash	\$ 20	20	20
Demand deposits	200,939	149,474	89,871
Time deposit	1,335,807	3,262,849	2,708,142
Bond investments with repurchase agreements	-	38,000	54,000
Notes investments with repurchase agreements	<u>169,000</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,705,766</u>	<u>3,450,343</u>	<u>2,852,033</u>

Please refer to note 6(21) for the interest rate risk and sensitivity analysis of the Company financial assets and liabilities.

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

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Financial liabilities at fair value through profit or loss — current:			
Forward exchange contracts	<u>\$ 444</u>	<u>138</u>	<u>-</u>

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

The Company holds derivative financial instruments to hedge certain foreign exchange risk exposures arising from its operating activities. The following derivative instruments, without the application of hedge accounting, were classified as financial liabilities at fair value through profit or loss:

March 31, 2026			
	Contract amount (in thousands)	Currency	Maturity date
Forward exchange sold	USD 1,080	USD to NTD	2026.4.7

March 31, 2025			
	Contract amount (in thousands)	Currency	Maturity date
Forward exchange sold	USD 1,160	USD to NTD	2026.1.5

For details of the amounts remeasured at fair value through profit or loss, please refer to note 6(20).

(3) Notes and accounts receivable

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable	\$ -	-	1,160
Accounts receivable	612,335	697,600	579,811
	\$ 612,335	697,600	580,971

The Company 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, accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information. The loss allowance provisions were determined as follows:

March 31, 2026			
	Gross carrying amount	Weighted- average loss rate	Loss allowance
Current	\$ 561,789	0%	-
1 to 30 days past due	50,546	0%	-
	\$ 612,335		-

December 31, 2025			
	Gross carrying amount	Weighted- average loss rate	Loss allowance
Current	\$ 617,894	0%	-
1 to 30 days past due	79,706	0%	-
	\$ 697,600		-

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

	March 31, 2025		
	Gross carrying amount	Weighted- average loss rate	Loss allowance
Current	\$ 396,421	0%	-
1 to 30 days past due	79,285	0%	-
31 to 60 days past due	76,642	0%	-
61 to 90 days past due	28,623	0%	-
	\$ 580,971		-

The movements in the allowance for notes and accounts receivable were as follows:

	For the three months ended March 31,	
	2026	2025
Balance at January 1	\$ -	4,521
Amounts written off	-	(4,521)
	\$ -	-

The Company's notes and accounts receivable have not been pledged as collateral.

(4) Inventories

	March 31, 2026	December 31, 2025	March 31, 2025
Work in progress	\$ 471,491	435,472	313,737
Raw materials	565,898	487,231	442,578
Finished goods	-	-	2,308
	\$ 1,037,389	922,703	758,623

The details of operating costs were as follows:

	For the three months ended March 31,	
	2026	2025
Cost of goods sold	\$ 780,255	543,813
Write-down of inventories (Reversal of write-downs)	2,898	(3,087)
Unallocated fixed production overheads	15,864	69,649
Total	\$ 799,017	610,375

The Company's inventories have not been pledged as collateral.

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

(5) Property, plant and equipment

	<u>Buildings</u>	<u>Machinery and equipment</u>	<u>Other equipment</u>	<u>Construction in progress and equipment awaiting inspection</u>	<u>Total</u>
Cost:					
Balance at January 1, 2026	\$ 789,953	8,397,401	425,466	751,356	10,364,176
Additions	-	15,121	14,400	59,907	89,428
Reclassification	-	53,889	(7,354)	(46,535)	-
Balance at March 31, 2026	<u>\$ 789,953</u>	<u>8,466,411</u>	<u>432,512</u>	<u>764,728</u>	<u>10,453,604</u>
Balance at January 1, 2025	\$ 789,465	7,811,289	442,351	1,003,551	10,046,656
Additions	400	16,441	-	26,635	43,476
Reclassification	-	93,646	(4,128)	(89,518)	-
Transfer and others	-	-	(2,109)	-	(2,109)
Balance at March 31, 2025	<u>\$ 789,865</u>	<u>7,921,376</u>	<u>436,114</u>	<u>940,668</u>	<u>10,088,023</u>
Depreciation and impairment loss:					
Balance at January 1, 2026	\$ 105,073	5,142,323	323,876	-	5,571,272
Depreciation	4,049	168,037	3,777	-	175,863
Balance at March 31, 2026	<u>\$ 109,122</u>	<u>5,310,360</u>	<u>327,653</u>	<u>-</u>	<u>5,747,135</u>
Balance at January 1, 2025	\$ 88,880	4,500,232	309,073	-	4,898,185
Depreciation	4,046	157,364	4,615	-	166,025
Balance at March 31, 2025	<u>\$ 92,926</u>	<u>4,657,596</u>	<u>313,688</u>	<u>-</u>	<u>5,064,210</u>
Carrying amounts:					
Balance at January 1, 2026	<u>\$ 684,880</u>	<u>3,255,078</u>	<u>101,590</u>	<u>751,356</u>	<u>4,792,904</u>
Balance at March 31, 2026	<u>\$ 680,831</u>	<u>3,156,051</u>	<u>104,859</u>	<u>764,728</u>	<u>4,706,469</u>
Balance at January 1, 2025	<u>\$ 700,585</u>	<u>3,311,057</u>	<u>133,278</u>	<u>1,003,551</u>	<u>5,148,471</u>
Balance at March 31, 2025	<u>\$ 696,939</u>	<u>3,263,780</u>	<u>122,426</u>	<u>940,668</u>	<u>5,023,813</u>

A. Collateral

The Company's property, plant and equipment have not been pledged as collateral.

B. Property, plant and equipment construction in progress

In response to its capacity expansion plan, the Company incurred expenditures of \$764,728 thousand and \$940,668 thousand on construction in progress as of March 31, 2026 and 2025, respectively.

For the three months ended March 31, 2026 and 2025, the Company capitalized borrowing costs of \$2,781 thousand and \$3,496 thousand, respectively, at capitalization rates ranging from 1.27% to 1.46% and from 1.22% to 1.45%, respectively.

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

(6) Right-of-use assets

	Land
Carrying amounts:	
Balance at January 1, 2026	\$ <u>74,977</u>
Balance at March 31, 2026	\$ <u>79,747</u>
Balance at January 1, 2025	\$ <u>81,920</u>
Balance at March 31, 2025	\$ <u>80,184</u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of Right-of-use assets recognized for leased land for the three months ended March 31, 2026 and 2025. Please refer to note 6(6) to the 2025 annual financial statements for other related information.

(7) Intangible assets

	Computer software
Carrying amounts:	
Balance at January 1, 2026	\$ <u>24,443</u>
Balance at March 31, 2026	\$ <u>28,457</u>
Balance at January 1, 2025	\$ <u>13,798</u>
Balance at March 31, 2025	\$ <u>10,745</u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of Intangible assets for the three months ended March 31, 2026 and 2025. Please refer to note 6(7) to the 2025 annual consolidated financial statements for other related information.

(8) Other current and non-current financial assets

	March 31, 2026	December 31, 2025	March 31, 2025
Time deposits with maturities exceeding three months	\$ 2,556,400	458,000	230,000
Restricted assets	9,300	9,300	9,300
Others	<u>9,352</u>	<u>3,266</u>	<u>5,064</u>
	<u>\$ 2,575,052</u>	<u>470,566</u>	<u>244,364</u>
Current	<u>\$ 2,574,933</u>	<u>470,447</u>	<u>244,245</u>
Non-current	<u>\$ 119</u>	<u>119</u>	<u>119</u>

For details regarding the Company's restricted assets pledged as performance guarantees, please refer to note 8.

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

(9) Other current and non-current assets

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Prepayments of equipment	\$ 63,409	52,904	89,258
Tax refund receivables	8,027	6,788	3,307
Others	88	87	294
	<u>\$ 71,524</u>	<u>59,779</u>	<u>92,859</u>
Other current assets	\$ 8,115	6,875	3,552
Other non-current assets	63,409	52,904	89,307
	<u>\$ 71,524</u>	<u>59,779</u>	<u>92,859</u>

(10) Short-term borrowings

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Unsecured bank loans	\$ <u>175,000</u>	<u>150,000</u>	<u>-</u>
Unused credit lines	\$ <u>2,015,278</u>	<u>1,900,000</u>	<u>1,450,000</u>
Range of interest rates	<u>1.89%</u>	<u>1.89%</u>	<u>-</u>

(11) Long-term borrowings

	<u>March 31, 2026</u>		
	<u>Range of interest rates</u>	<u>Due date</u>	<u>Amount</u>
Unsecured bank loans	1.320%~1.375%	2028.2~2028.5	\$ 1,064,488
Less: current portion			<u>(522,456)</u>
Total			<u>\$ 542,032</u>
Unused credit lines			<u>\$ 95,000</u>
	<u>December 31, 2025</u>		
	<u>Range of interest rates</u>	<u>Due date</u>	<u>Amount</u>
Unsecured borrowing	1.320%~1.375%	2028.2~2028.5	\$ 1,171,214
Less: current portion			<u>(472,873)</u>
Total			<u>\$ 698,341</u>
Unused credit lines			<u>\$ 95,000</u>
	<u>March 31, 2025</u>		
	<u>Range of interest rates</u>	<u>Due date</u>	<u>Amount</u>
Unsecured bank loans	1.320%~1.375%	2028.2~2028.5	\$ 1,117,092
Less: current portion			<u>(196,450)</u>
Total			<u>\$ 920,642</u>
Unused credit lines			<u>\$ 320,000</u>

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

(12) Other current and non-current liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Lease liabilities	\$ 83,889	79,042	84,017
Guarantee deposit received	12,000	12,000	12,000
Other payables	150,504	159,638	86,304
Accrued remuneration of directors	10,014	6,861	6,105
Others	7,839	7,327	5,059
	<u>\$ 264,246</u>	<u>264,868</u>	<u>193,485</u>
Other current liabilities	\$ 175,481	180,559	104,116
Other non-current liabilities	88,765	84,309	89,369
	<u>\$ 264,246</u>	<u>264,868</u>	<u>193,485</u>

(13) Lease liabilities

The carrying amounts of lease liabilities of the Company were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Other current liabilities	<u>\$ 7,309</u>	<u>6,733</u>	<u>6,648</u>
Other non-current liabilities	<u>\$ 76,580</u>	<u>72,309</u>	<u>77,369</u>

For the maturity analysis, please refer to note 6(21).

The amounts recognized in profit or loss was as follows:

	For the three months ended March 31,	
	2026	2025
Interest on lease liabilities	<u>\$ 356</u>	<u>356</u>
Expenses relating to short-term leases	<u>\$ 57</u>	<u>57</u>
Expenses relating to leases of low value assets, excluding short term leases of low value asset	<u>\$ 133</u>	<u>113</u>

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

	For the three months ended March 31,	
	2026	2025
Total cash outflow for leases	<u>\$ 2,354</u>	<u>2,171</u>

The Company leases land for use as plant sites and office premises. The lease terms are generally twenty years, and certain leases include options to extend the lease for a period equal to the original term upon expiration.

Lease payments under the land leases are linked to changes in the local consumer price index and are adjusted to reflect the amortized portion of public infrastructure reinvestment costs within the industrial parks. Such expenses usually arise once every two years.

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

(14) Employee benefits

The Company allocates 6% of each employee's monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Company's allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligations.

The Company's expenses for the pension plan contributions to the Bureau of Labor Insurance amounted to \$7,177 thousand and \$6,631 thousand for the three months ended March 31, 2026 and 2025, respectively.

(15) Income tax

The income tax expense of the Company is calculated by the Income before income tax of interim reporting period multiplied by the best estimated measurement of the expected effective tax rate of the year made by the management.

A. The components of income tax expenses were as follows:

	For the three months ended March 31,	
	2026	2025
Income tax expense	\$ 61,811	14,587

B. Assessment of tax

The income Company tax return for the year 2024 had been examined by the tax authorities.

(16) Capital and other equity

Except for the following disclosure, there were no significant change in the capital and other equity for the period from January 1 to March 31, 2026 and 2025. For the related information, please refer to note 6(16) to the financial consolidated financial statements for the year ended December 31, 2025.

A. Ordinary shares

As of March 31, 2026, December 31, 2025 and March 31, 2025, the authorized ordinary shares of the Company amounted to \$5,000,000 thousand, with a par value of \$10 per share, of which \$300,000 thousand were reserved for employee stock options, and the issued and outstanding ordinary shares were 196,516 thousand shares.

B. Capital surplus

The balances of capital surplus were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Additional paid in capital	\$ 4,113,703	4,113,703	4,113,703
Expired stock options	25,765	25,765	25,765
Unclaimed cash dividends past the statutory claim period	1,163	1,163	1,163
	\$ 4,140,631	4,140,631	4,140,631

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

C. Retained earnings

In accordance with the Company's Articles of Incorporation, any earnings for the year shall first be used to pay taxes and to offset accumulated deficits. Thereafter, 10% of the remaining earnings shall be appropriated as legal reserve; however, this requirement does not apply once the legal reserve has reached the Company's paid-in capital. In addition, a special reserve shall be appropriated when required by laws or regulations or deemed necessary for operating purposes.

Pursuant to Article 240, Paragraph 5 of the Company Act, when the Company distributes earnings in the form of cash together with the beginning unappropriated earnings, such distribution shall be approved by a resolution of the Board of Directors attended by at least two-thirds of all directors and approved by more than half of the directors present, and shall be reported to the shareholders' meeting. When the distribution is made in the form of new shares, such distribution shall be submitted to the shareholders' meeting for approval before allocation.

When distributing earnings, the Company is required to appropriate a special reserve for any debit balance in other equity items as of the balance sheet date in accordance with applicable regulations. When the debit balance is subsequently reversed, the reversed amount may be included in distributable earnings.

To balance dividend distribution with financial planning considerations, and to assess the potential dilution effects of stock dividends on future earnings per share, the Company aims to maintain a stable dividend policy without causing excessive dilution. Cash dividends shall not be less than 10% of the total dividends distributed, with the remainder distributed in the form of stock dividends.

(a) Legal reserve

Except for offsetting the Company's deficits or being distributed as cash or stock dividends in proportion to shareholders' existing shareholdings, this reserve may not be used. However, distributions of cash or stock dividends shall be limited to the portion of such reserve that exceeds 25% of the Company's paid-in capital.

(b) Earnings distribution

On March 5, 2026, the Board of Directors approved the distribution of earnings for the year ended December 31, 2025. The amounts of cash dividends to be distributed to the owners is as follows:

	2025	
	Amount per share	Total amount
Dividends distributed to ordinary shareholder:		
Cash	\$ 1.68	330,147

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

On May 28, 2025, the shareholders' meeting approved the distribution of earnings for the year ended December 31, 2024. The amounts of cash dividends to be distributed to the owners of is as follows:

	2024	
	Amount per share	Total amount
Dividends distributed to ordinary shareholder		
Cash	\$ 1.19	233,854

(17) Earnings per share

A. Basic earnings per share

	For the three months ended March 31,	
	2026	2025
Profit attributable to the shareholders of the Company	\$ 296,857	82,524
Weighted average number of ordinary shares outstanding during the period (in thousands of shares)	196,516	196,516
Basic earnings per share (dollars)	\$ 1.51	0.42

B. Diluted earnings per share

	For the three months ended March 31,	
	2026	2025
Profit attributable to the shareholders of the Company	\$ 296,857	82,524
Weighted average number of ordinary shares outstanding during the period (in thousands of shares)	196,516	196,516
Effect of dilutive potential ordinary shares (in thousands of shares):		
Effect of employee stock remuneration	663	406
Weighted average number of ordinary shares outstanding (in thousands of shares)(diluted)	197,179	196,922
Diluted earnings per share (dollars)	\$ 1.51	0.42

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

(18) Revenue from contracts with customers

A. Details of revenue

	For the three months ended	
	March 31,	
	<u>2026</u>	<u>2025</u>
<u>Primary geographical markets</u>		
Taiwan	\$ 191,440	174,521
Asia—others	832,637	455,302
America	175,964	130,162
Northeast Asia (Japan and Korea)	<u>22,277</u>	<u>11,773</u>
	<u>\$ 1,222,318</u>	<u>771,758</u>
<u>Major product categories</u>		
GaAs wafers	<u>\$ 1,222,318</u>	<u>771,758</u>

B. Contract balances

	<u>March 31,</u>	<u>December 31,</u>	<u>March 31,</u>
	<u>2026</u>	<u>2025</u>	<u>2025</u>
Contract liabilities	<u>\$ 136,548</u>	<u>115,458</u>	<u>71,388</u>

For the disclosures relating to notes and accounts receivable and their impairment, please refer to note 6(3)

The amount of revenue recognized for the three months ended March 31, 2026 and 2025, which was included in the contract liability balance at the beginning of the period, was \$79,726 thousand and \$47,660 thousand, respectively.

Contract liabilities primarily arise from advance receipts under product sales contracts, and revenue is recognized when the products are delivered to the customers.

(19) Employee compensation and directors' and supervisors' remuneration

On May 28, 2025, the shareholders' meeting resolved to amend the Company's Articles of Incorporation. Under the amended Articles, when the Company generates profit for the year, 5% to 10% shall be allocated as employee compensation (of which no less than 50% shall be allocated to non-managerial employees) and no more than 2% shall be allocated as directors' remuneration. However, if the Company has accumulated deficits, amounts required to offset such deficits shall be reserved in advance. Employee compensation shall be distributed in the form of cash or shares as resolved by the Board of Directors, and the recipients may include employees of subsidiaries who meet certain eligibility criteria. Before the amendment, the Articles provided that 5% to 10% of annual profit shall be allocated as employee compensation and no more than 2% as directors' remuneration, and amounts required to offset accumulated deficits shall be reserved before such allocations. Employee compensation was likewise determined by the Board to be distributed in cash or shares, and could be granted to eligible subsidiary employees.

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

For the three months ended March 31, 2026 and 2025, the Company accrued employee compensation of \$32,320 thousand (including non-managerial employee compensation) and \$8,751 thousand, respectively, and accrued directors' remuneration of \$3,153 thousand and \$854 thousand, respectively. These amounts were estimated based on the Company's profit before tax, before employee compensation and directors' remuneration, multiplied by the allocation percentages stipulated in the Articles of Incorporation, and were recognized as operating costs or operating expenses for the respective periods.

The remuneration of the Company for employees in 2025 and 2024 were \$70,328 thousand dollars (including non-managerial employee compensation) and \$53,825 thousand dollars, respectively. Remuneration for directors were \$6,861 thousand dollars and \$5,251 thousand dollars, respectively, which were not significantly different from actual distribution, and the information is available on the Market Observation Post System website.

(20) Non-operating income and expenses

A. Interest income

	For the three months ended March 31,	
	2026	2025
Interest income from bank deposits	\$ 17,078	12,825

B. Other gains and losses

	For the three months ended March 31,	
	2026	2025
Foreign exchange gains (losses)	\$ 9,420	6,616
Gains (losses) on financial assets and liabilities at fair value through profit or loss	(196)	8
Others	270	(952)
	\$ 9,494	5,672

C. Finance costs

	For the three months ended March 31,	
	2026	2025
Interest expense of lease liability	\$ 356	356
Interest expense of borrowings	4,682	3,607
Less: Amount of interest eligible for capitalization	(2,781)	(3,496)
	\$ 2,257	467

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

(21) Financial instruments

A. Credit risk

(a) Credit risk exposure

The carrying amount of financial assets and contract assets represents the maximum amount exposed to credit risk.

(b) Concentration of credit risk

The main customers of the Company are from the GaAs wafer products and related industries. The Company generally sets credit limits to its customers according to their credit evaluations. Therefore, the credit risk of the Company is mainly influenced by the GaAs wafer products industry. As of March 31, 2026, December 31, 2025 and March 31, 2025, 49%, 61% and 73%, respectively, of the Company's notes and accounts receivable were from the 2 customers. Although there is a potential for concentration of credit risk, the Company routinely assesses the collectability of the notes and accounts receivable and makes a corresponding allowance for doubtful accounts.

B. Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6 to 12 months</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
March 31, 2026							
Non-derivative financial liabilities							
Short-term borrowings	\$ 175,000	(175,782)	(175,782)	-	-	-	-
Accounts payable	368,507	(368,507)	(368,507)	-	-	-	-
Payroll and bonus payable	161,271	(161,271)	(150,117)	(11,154)	-	-	-
Dividends payable	330,147	(330,147)	(330,147)	-	-	-	-
Accrued remuneration of directors	10,014	(10,014)	(10,014)	-	-	-	-
Other payables	150,504	(150,504)	(150,504)	-	-	-	-
Guarantee deposit received	12,000	(12,000)	-	-	-	-	(12,000)
Long-term borrowings	1,064,488	(1,086,676)	(268,642)	(267,476)	(523,984)	(26,574)	-
Lease liabilities	83,889	(92,418)	(4,329)	(4,329)	(8,658)	(23,811)	(51,291)
Forward exchange contracts	-	-	-	-	-	-	-
Outflows	444	(34,613)	(34,613)	-	-	-	-
Inflows	-	34,169	34,169	-	-	-	-
	<u>\$ 2,356,264</u>	<u>(2,387,763)</u>	<u>(1,458,486)</u>	<u>(282,959)</u>	<u>(532,642)</u>	<u>(50,385)</u>	<u>(63,291)</u>

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6 to 12 months</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
December 31, 2025							
Non-derivative financial liabilities							
Short-term borrowings	\$ 150,000	(151,106)	(101,005)	(50,101)	-	-	-
Accounts payable	337,465	(337,465)	(337,465)	-	-	-	-
Other accounts payable – related parties	230	(230)	(230)	-	-	-	-
Payroll and bonus payable	164,057	(164,057)	(153,031)	(11,026)	-	-	-
Accrued remuneration of directors	6,861	(6,861)	(6,861)	-	-	-	-
Other payables	159,638	(159,638)	(159,638)	-	-	-	-
Guarantee deposit received	12,000	(12,000)	-	-	-	-	(12,000)
Long-term borrowings	1,171,214	(1,199,620)	(209,165)	(279,443)	(555,372)	(155,640)	-
Lease liabilities	79,042	(87,226)	(4,003)	(4,003)	(8,005)	(22,164)	(49,051)
Forward exchange contracts:							
Outflows	138	(36,440)	(36,440)	-	-	-	-
Inflows	-	36,302	36,302	-	-	-	-
	<u>\$ 2,080,645</u>	<u>(2,118,341)</u>	<u>(971,536)</u>	<u>(344,573)</u>	<u>(563,377)</u>	<u>(177,804)</u>	<u>(61,051)</u>
March 31, 2025							
Non-derivative financial liabilities							
Accounts payable	\$ 209,088	(209,088)	(209,088)	-	-	-	-
Payroll and bonus payable	102,613	(102,613)	(92,285)	(10,328)	-	-	-
Dividends payable	233,854	(233,854)	(233,854)	-	-	-	-
Accrued remuneration of directors	6,105	(6,105)	(6,105)	-	-	-	-
Other payables	86,304	(86,304)	(86,304)	-	-	-	-
Guarantee deposit received	12,000	(12,000)	-	-	-	-	(12,000)
Long-term borrowings	1,117,092	(1,153,270)	(105,745)	(105,433)	(469,254)	(472,838)	-
Lease liabilities	84,017	(93,229)	(4,003)	(4,003)	(8,005)	(22,684)	(54,534)
	<u>\$ 1,851,073</u>	<u>(1,896,463)</u>	<u>(737,384)</u>	<u>(119,764)</u>	<u>(477,259)</u>	<u>(495,522)</u>	<u>(66,534)</u>

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

C. Currency risk

(a) Exposure to foreign currency risk

The Company's significant exposure to foreign currency risk was as follows:

	<u>March 31, 2026</u>		
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>
<u>Financial assets</u>			
<u> Monetary Items</u>			
USD	\$	25,042	31.995
JPY		87,090	0.2005
			801,204
			17,462

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

				March 31, 2026		
				Foreign currency	Exchange rate	NTD
<u>Financial liabilities</u>						
<u>Monetary Items</u>						
	USD			8,083	31.995	258,624
	JPY			83,033	0.2005	16,648
<u>Non-monetary items</u>						
	USD			1,080	31.995	Note
				December 31, 2025		
				Foreign currency	Exchange rate	NTD
<u>Financial assets</u>						
<u>Monetary Items</u>						
	USD	\$		27,208	31.43	855,139
	JPY			36,218	0.2008	7,273
<u>Financial liabilities</u>						
<u>Monetary Items</u>						
	USD			7,199	31.43	226,257
	JPY			108,789	0.2008	21,845
<u>Non-monetary items</u>						
	USD			1,160	31.43	Note
				March 31, 2025		
				Foreign currency	Exchange rate	NTD
<u>Financial assets</u>						
<u>Monetary Items</u>						
	USD	\$		21,590	33.205	716,893
	JPY			6,333	0.2227	1,410
<u>Financial liabilities</u>						
<u>Monetary Items</u>						
	USD			4,609	33.205	153,054
	JPY			16,032	0.2227	3,570

Note: The Company measures its forward foreign exchange contracts at fair value as of the reporting date. For related information, please refer to note 6(2).

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

(b) Sensitivity analysis

The Company's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, and other accounts receivable which are denominated in foreign currencies. A weakening (strengthening) of 1% of the NTD against the USD and JPY as of March 31, 2026 and 2025, would have increased or decreased the net income before income tax by \$5,434 thousand and \$5,616 thousand, respectively. The analysis assumes was performed on the same basis for both periods.

(c) Foreign exchange gain and losses on monetary exchange

The foreign exchange gains (losses) arising from the Company's monetary items (including realized and unrealized amounts) amounted to \$9,420 thousand and \$6,616 thousand for 2026 and 2025, respectively.

D. Interest rate analysis

Please refer to the notes on liquidity risk management for interest rate exposure of the Company's financial assets and financial liabilities.

Assuming a 0.25% increase or decrease in interest rates, with all other variables held constant, the Company's profit for the three months ended March 31, 2026 and 2025 would have decreased or increased by \$(417) thousand and \$519 thousand, respectively. This is primarily attributable to the Company's variable-rate bank deposits and borrowings.

E. Fair value of financial instruments

(a) Fair value hierarchy

The carrying amount and fair value of the Company'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:

	<u>Carrying amount</u>	<u>March 31, 2026</u>			<u>Total</u>
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 1,705,766				
Notes and accounts receivable	612,335				
Other receivables — related parties	60				
Other financial assets	<u>2,575,052</u>				
	<u>\$ 4,893,213</u>				

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

		December 31, 2025				
		Carrying	Fair value			
		amount	Level 1	Level 2	Level 3	Total
Financial liabilities measured with amortized costs						
Short-term borrowings	\$	150,000				
Accounts payable		337,465				
Other accounts payable—related parties		230				
Payroll and bonus payable		164,057				
Accrued remuneration of directors		6,861				
Other payables		159,638				
Guarantee deposit received		12,000				
Long-term borrowings		1,171,214				
Lease liabilities		79,042				
		<u>\$ 2,080,507</u>				
		March 31, 2025				
		Carrying	Fair value			
		amount	Level 1	Level 2	Level 3	Total
Financial assets measured at amortized cost						
Cash and cash equivalents	\$	2,852,033				
Notes and accounts receivable		580,971				
Other financial assets		244,364				
		<u>\$ 3,677,368</u>				
Financial liabilities measured with amortized costs						
Accounts payable	\$	209,088				
Payroll and bonus payable		102,613				
Dividends Payable		233,854				
Accrued remuneration of directors		6,105				
Other payables		86,304				
Guarantee deposit received		12,000				
Long term borrowings		1,117,092				
Lease liabilities		84,017				
		<u>\$ 1,851,073</u>				

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

(b) Valuation techniques of financial instruments not measured at fair value

The management of the company believes that the carrying amounts of financial assets and financial liabilities measured at amortized cost in this financial report approximate their fair values.

(22) Financial risk management

The Company's financial risk management objectives and policies have not changed significantly from those disclosed in note 6(22) of financial report of 2025.

(23) Capital management

The capital management objectives, policies, and procedures of the Company are consistent with the financial report of 2025; there is no significant change in the aggregated quantitative data of capital management items from those disclosed in the financial report of 2025. For relevant information, please refer to note 6(23) of the financial report of 2025.

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

The Company's investing and financing activities which did not affect the current cash flow in the three months ended March 31, 2026 and 2025, were as follows:

A. For right-of-use assets under leases, please refer to note 6(6).

B. Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2026	Cash flows	Non-cash changes	March 31, 2026
Short-term borrowings	\$ 150,000	25,000	-	175,000
Long-term borrowings	1,171,214	(106,726)	-	1,064,488
Guarantee deposits received	12,000	-	-	12,000
Lease liabilities	<u>79,042</u>	<u>(2,164)</u>	<u>7,011</u>	<u>83,889</u>
Total liabilities from financing activities	<u>\$ 1,412,256</u>	<u>(83,890)</u>	<u>7,011</u>	<u>1,335,377</u>
	January 1, 2025	Cash flows	Non-cash changes	March 31, 2025
Long-term borrowings	\$ 1,055,591	61,501	-	1,117,092
Guarantee deposits received	12,000	-	-	12,000
Lease liabilities	<u>85,662</u>	<u>(2,001)</u>	<u>356</u>	<u>84,017</u>
Total liabilities from financing activities	<u>\$ 1,153,253</u>	<u>59,500</u>	<u>356</u>	<u>1,213,109</u>

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

7. Related-party transactions:

(1) Parent company and ultimate controlling company

Sino-American Silicon Products Inc. (“SAS”) is both the parent company and the ultimate controlling company. As of March 31, 2026, SAS owns 28.46% of all shares outstanding of Company and has issued the consolidated financial statements available for public use.

(2) Names and relationship with related parties

The followings are entities that have had transactions with the Company during the periods covered in the financial statements:

<u>Name of related party</u>	<u>Relationship with the Company</u>
SAS	Parent company of the Company
GlobalWafers Co., Ltd. (“GlobalWafers”)	A subsidiary of SAS
Sunrise PV Electric Power Five Co., Ltd.(“SPV5”)	A second-tier subsidiary of SAS

(3) Significant transactions with related parties

A. Lease

The Company has entered into solar power generation system lease agreements with related parties. The details of the related lease income and the resulting receivables are as follows:

<u>Categories of related parties</u>		<u>For the three months ended</u>		
		<u>March 31,</u>		
		<u>2026</u>	<u>2025</u>	
Other related party – SPV5		<u>\$ 176</u>	<u>13</u>	
<u>Items</u>	<u>Categories</u>	<u>March 31,</u>	<u>December 31,</u>	<u>March 31,</u>
		<u>2026</u>	<u>2025</u>	<u>2025</u>
Other receivables	Other related party – SPV5	<u>\$ 60</u>	<u>48</u>	<u>-</u>

B. Others

Related parties provide the Company with consumables and information security testing services. The details of the related costs, expenses, and the resulting payables are as follows:

<u>Items</u>	<u>Categories</u>	<u>March 31,</u>	<u>December 31,</u>	<u>March 31,</u>
		<u>2026</u>	<u>2025</u>	<u>2025</u>
Other payables	Other related party – GlobalWafers	<u>\$ -</u>	<u>230</u>	<u>-</u>

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

(4) Key management personnel compensation

Key management personnel compensation comprised of:

	For the three months ended March 31,	
	2026	2025
Short-term employee benefits	\$ 8,370	4,801
Post-employment benefits	27	27
	<u>\$ 8,397</u>	<u>4,828</u>

8. Pledged assets:

The carrying values of pledged assets were as follows:

Pledged assets	Purpose of pledge	March 31, 2026	December 31, 2025	March 31, 2025
Time deposits (recognized in other financial assets- current)	Performance guarantee	<u>\$ 9,300</u>	<u>9,300</u>	<u>9,300</u>

9. Commitments and contingencies:

As of March 31, 2026, December 31, 2025 and March 31, 2025, the amounts of construction in progress and prepayments for equipment that had been contracted but not yet paid were \$172,120 thousand, \$127,151 thousand and \$172,989 thousand, respectively.

10. Losses due to major disasters: None

11. Subsequent events: None

12. Other:

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

By item	By function	For the three months ended March 31,					
		2026			2025		
		Cost of Sales	Operating Expense	Total	Cost of Sales	Operating Expense	Total
Employee benefits							
Salary		160,464	44,235	204,699	106,844	29,069	135,913
Labor and health insurance		15,134	4,117	19,251	13,746	3,680	17,426
Pension		6,041	1,136	7,177	5,512	1,119	6,631
Others		5,865	941	6,806	6,800	3,846	10,646
Depreciation		176,202	1,546	177,748	164,231	3,530	167,761
Amortization		103	2,302	2,405	145	1,803	1,948

Advanced Wireless Semiconductor Company
Notes to the Financial Statements

13. Other disclosures:

(1) Information on significant transactions:

A. Loans to other parties: None.

B. Guarantees and endorsements for other parties: None.

C. Material securities held as of March 31, 2026 (excluding investment in subsidiaries, associates and joint ventures): None.

D. Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: None.

E. Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: None.

(2) Information on investees:

The following is the information on investees for the three months ended March 31, 2026 (excluding information on investees in Mainland China): None.

(3) Information on investment in mainland China:

A. The names of investees in Mainland China, the main businesses and products, and other information: None.

B. Limitation on investment in Mainland China: None.

C. Significant transactions: None.

14. Segment information:

The Company's reportable operating segment is a single segment, primarily engaged in the research, development, and sale of precision chemical materials. The segment's profit and loss, assets, and liabilities information are consistent with the financial statements. Please refer to the balance sheets and comprehensive income statements for details.