EGIS TECHNOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
WITH REPORT OF INDEPENDENT AUDITORS
FOR THE THREE-MONTH PERIODS ENDED
MARCH 31, 2026 AND 2025

<u>Notice to Readers</u>

The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese financial statements shall prevail.

English Translation of Review Report Originally Issued in Chinese

Review Report of Independent Auditor

To Egis Technology Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of Egis Technology Inc. and its subsidiaries (the “Group”) as of March 31, 2026 and 2025, the related consolidated statements of comprehensive income for the three-month periods ended March 31, 2026 and 2025, changes in equity and cash flows for the three-month periods ended March 31, 2026 and 2025, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these 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” as endorsed and became effective by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion, we conducted our review in accordance with the Standards on Review Engagements 2410, “Review of Financial Information Performed by the Independent Auditor of the Entity” of the Republic of China. A review of 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 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.

Basis for Qualified Conclusion

As explained in Notes 4(3)B, the financial statements of certain insignificant subsidiaries were not reviewed by independent auditors. Those statements reflect total assets of NT$684,649 thousand and NT$428,103 thousand, constituting 4% and 2% of the consolidated total assets, and total liabilities of NT$253,176 thousand and NT$153,450 thousand, constituting 4% and 2% of the consolidated total liabilities as of March 31, 2026 and 2025, respectively; and the comprehensive losses of these subsidiaries for the three-month periods ended March 31, 2026 and 2025 were NT$(79,051) thousand and NT$(51,126) thousand, respectively, constituting 14% and 6% of the consolidated comprehensive loss for the respective periods. As explained in Note 6(7), the financial statements of investments accounted for using the equity method were not reviewed by independent auditors. The balance of investment accounted for using the equity method amounted to NT$98,834 thousand and NT$148,275 thousand, constituting 1% and 1% of the consolidated total assets as of March 31, 2026 and 2025; and the share of profit of associates accounted for using equity method for the three-month periods ended March 31, 2026 and 2025 were NT$(1,166) thousand and NT$(5,055) thousand, constituting 0% and 1% of the consolidated total comprehensive loss. The information related to above subsidiaries and investments accounted for using equity method disclosed in Note 13 was also not reviewed by independent auditors.

Qualified Conclusion

Based on our reviews and the review reports of the other independent auditors (please refer to the Other Matter paragraph of our report), except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain insignificant subsidiaries and investments accounted for using equity method and the information been reviewed by independent auditors described in the preceding paragraph, 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 the Group as of March 31, 2026 and 2025, and their consolidated financial performance and consolidated cash flows for the three-month periods 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” as endorsed and became effective by the Financial Supervisory Commission of the Republic of China.

Other Matter – Making Reference to the Reviews of Other Independent Auditors

We did not review the financial statements of certain consolidated subsidiaries and investments accounted for using the equity method which were reviewed by other independent auditors. Therefore, the review report expressed herein, insofar as it relates to the amounts and the information disclosed in Note 13 included in respect of these investments, is based solely on the report of the other independent auditors. The subsidiaries' total assets amounted to NT$8,403,408 thousand, constituting 42% of the consolidated total assets as of March 31, 2025, and total operating revenues amounted to NT$376,548 thousand, constituting 35% of the consolidated operating revenue for the three-month period ended March 31, 2025. The investments accounted for using the equity method amounted to NT$992,381 thousand and NT$980,989 thousand, respectively, constituting 5% and 5% of the total consolidated assets as of March 31, 2026 and 2025, and the share of comprehensive loss recognized from these investees accounted for using the equity method amounted to NT$(28,328) thousand and NT$(31,285) thousand, respectively, constituting 5% and 4% of the total comprehensive income for the three-month periods ended March 31, 2026 and 2025.

Hsu, Hsin-Min

Chen, Chih-Chung

Ernst & Young, Taiwan
May 14, 2026

English translation of consolidated financial statements originally issued in Chinese

EGIS TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH31, 2025

(Expressed in Thousands of New Taiwan Dollars)

	Assets	Notes	March 31, 2026		December 31, 2025(Note) (Adjusted)		March 31, 2025(Note) (Adjusted)	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 2,854,400	15	$ 2,647,141	14	$ 2,732,571	14
1110	Financial assets at fair value through profit or loss - current	6(2)	282,782	1	321,002	2	265,733	1
1120	Financial assets at fair value through other comprehensive income - current	6(3)	35,495	-	38,262	-	38,922	-
1136	Financial assets at amortised cost - current	6(4)	295,637	2	358,267	2	1,092,145	6
1170	Accounts receivable, net	6(5)	513,776	3	441,274	2	551,072	3
1180	Accounts receivable from related parties, net	7	-	-	15,511	-	60	-
1200	Other receivables		16,388	-	13,188	-	21,690	-
1210	Other receivables from related parties	7	-	-	-	-	2,839	-
1220	Current tax assets		34,625	-	27,910	-	35,883	-
130x	Inventories	6(6)	439,480	2	890,997	4	468,190	2
1410	Prepayments	7	1,920,566	10	1,093,028	6	660,792	4
1470	Other current assets	6(22)	21,474	-	153,366	1	56,106	-
11xx	Total current assets		6,414,623	33	5,999,946	31	5,926,003	30
	Non-current assets							
1510	Financial assets at fair value through profit or loss - non current	6(2)	647,976	3	711,858	4	493,406	2
1517	Financial assets at fair value through other comprehensive income - non current	6(3)	1,439,073	7	1,663,737	9	1,762,531	9
1535	Financial assets at amortised cost - non current	6(4)	37,586	-	37,021	-	57,205	-
1550	Investments accounted for using equity method	6(7)	1,091,215	6	1,019,845	5	1,129,182	6
1600	Property, plant and equipment	6(8)	199,589	1	211,619	1	219,517	1
1755	Right-of-use assets	6(9)	200,694	1	147,168	1	207,046	1
1780	Intangible assets	6(10)	9,017,359	46	9,029,275	47	9,578,514	48
1840	Deferred tax assets		308,367	2	309,063	1	334,726	2
1932	Long-term receivables		23,097	-	23,097	-	-	-
1960	Prepayments for investments		-	-	22,057	-	-	-
1990	Other non-current assets	7	116,536	1	107,943	1	154,935	1
15xx	Total non-current assets		13,081,492	67	13,282,683	69	13,937,062	70
1xxx	**Total assets**		$ 19,496,115	100	$ 19,282,629	100	$ 19,863,065	100

Note: The Group has completed the fair value assessment of Kiwi Technology Inc. and Fingerprint Cards AB as of the acquisition dates. Accordingly, the consolidated balance sheets as of December 31, 2025 and March 31, 2025 have been adjusted to reflect the results of the assessment.

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

English translation of consolidated financial statements originally issued in Chinese

EGIS TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH31, 2025

(Expressed in Thousands of New Taiwan Dollars)

			March 31, 2026		December 31, 2025(Note) (Adjusted)		March 31, 2025(Note) (Adjusted)	
	Liabilities and Equity	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(11)	$ 1,038,625	5	$ 1,117,750	6	$ 1,668,902	8
2130	Contract liabilities - current	6(22)	2,422,304	13	1,827,638	9	880,317	4
2170	Accounts payable		301,533	2	266,089	1	182,091	2
2200	Other payables	6(12)	787,357	4	751,007	4	1,641,785	8
2220	Other payables to related parties	7	61,030	-	47,847	-	36,374	-
2230	Current tax liabilities		218,432	1	213,039	1	65,058	-
2280	Lease liabilities - current	6(9)	82,642	-	60,995	1	74,412	-
2320	Current portion of long-term liabilities	6(13)	341,257	2	341,257	2	2,751,429	14
2365	Refund liabilities - current		30,759	-	37,977	-	36,458	-
2399	Other current liabilities	6(17), 7	46,296	-	64,729	1	118,931	1
21xx	Total current liabilities		5,330,235	27	4,728,328	25	7,455,757	37
	Non-current liabilities							
2527	Contract liabilities - non current	6(22)	-	-	-	-	15,593	-
2530	Corporate bonds payable	6(14)	291,585	2	289,912	2	284,950	1
2540	Long-term borrowings - non current	6(13)	43,486	-	64,114	-	187,143	1
2570	Deferred tax liabilities		590,029	3	617,345	3	690,518	3
2580	Lease liabilities - non current	6(9)	123,211	1	90,543	-	140,352	2
2600	Other non-current liabilities		1,478	-	1,742	-	238,077	1
25xx	Total non-current liabilities		1,049,789	6	1,063,656	5	1,556,633	8
2xxx	Total liabilities		6,380,024	33	5,791,984	30	9,012,390	45
31xx	**Equity attributable to owners of parent**							
3100	Share capital							
3110	Common stock	6(18)	912,508	5	912,508	5	912,508	5
3200	Capital surplus	6(19)	7,592,692	39	7,538,789	39	5,289,602	27
3300	Retained earnings	6(20)						
3310	Legal reserve		725,338	4	725,338	3	725,338	4
3320	Special reserve		603,821	3	603,821	3	473,690	2
3350	Unappropriated retained earnings (Accumulated deficit)		(1,785,966)	(9)	(1,540,889)	(8)	(108,743)	(1)
	Total retained earnings		(456,807)	(2)	(211,730)	(2)	1,090,285	5
3400	Other equity interest	6(21)	(1,257,012)	(7)	(1,044,967)	(5)	(1,032,961)	(5)
31xx	Equity attributable to owners of parent		6,791,381	35	7,194,600	37	6,259,434	32
36xx	**Non-controlling interests**	6(29)	6,324,710	32	6,296,045	33	4,591,241	23
3xxx	Total equity		13,116,091	67	13,490,645	70	10,850,675	55
	Total liabilities and equity		$ 19,496,115	100	$ 19,282,629	100	$ 19,863,065	100

Note: The Group has completed the fair value assessment of Kiwi Technology Inc. and Fingerprint Cards AB as of the acquisition dates. Accordingly, the consolidated balance sheets as of December 31, 2025 and March 31, 2025 have been adjusted to reflect the results of the assessment.

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

English translation of consolidated financial statements originally issued in Chinese

EGIS TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(Expressed in Thousands of New Taiwan dollars, except for loss per share amount)

			Three months ended March 31			
			2026		2025	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(22)	$ 2,270,779	100	$ 1,072,344	100
5000	Operating costs	6(6)	(1,744,395)	(77)	(643,110)	(60)
5900	Net operating margin		526,384	23	429,234	40
6000	Operating expenses					
6100	Selling expenses		(153,967)	(7)	(154,554)	(14)
6200	General and administrative expenses		(148,455)	(7)	(148,584)	(14)
6300	Research and development expenses		(577,716)	(25)	(521,999)	(49)
6450	Expected credit impairment gains (losses)	6(5)	3,327	-	(5,003)	-
6000	Total operating expenses		(876,811)	(39)	(830,140)	(77)
6900	Operating loss		(350,427)	(16)	(400,906)	(37)
7000	Non-operating income and expenses					
7100	Interest income	6(23)	15,402	1	15,858	1
7010	Other income		6,736	-	9,480	1
7020	Other gains and losses, net	6(24)	17,740	1	21,915	2
7050	Finance costs	6(25)	(12,516)	(1)	(38,085)	(4)
7060	Share of loss of associates and joint ventures accounted for using equity method	6(7)	(29,494)	(1)	(36,340)	(3)
7000	Total non-operating income and expenses		(2,132)	-	(27,172)	(3)
7900	Loss before income tax		(352,559)	(16)	(428,078)	(40)
7950	Income tax benefit (expense)	6(27)	14,404	1	(2,382)	-
8200	Loss for the period		(338,155)	(15)	(430,460)	(40)
8300	Other comprehensive income					
8310	Components of other comprehensive income that will not be reclassified to profit or loss					
8316	Unrealised losses from investments in equity instruments at fair value through other comprehensive income	6(3)	(213,992)	(9)	(390,576)	(36)
8360	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation	6(21), 6(29)	1,219	-	5,139	-
8367	Unrealised (losses) gains from investments in debt instruments measured at fair value through other comprehensive income	6(3)	(762)	-	184	-
	Other comprehensive income for the period, net of tax		(213,535)	(9)	(385,253)	(36)
8500	Total comprehensive loss for the period		$ (551,690)	(24)	$ (815,713)	(76)
8600	Loss attributable to:					
8610	Owners of parent		$ (245,944)	(11)	$ (234,414)	(22)
8620	Non-controlling interests		(92,211)	(4)	(196,046)	(18)
			$ (338,155)	(15)	$ (430,460)	(40)
8700	Comprehensive loss attributable to:					
8710	Owners of parent		$ (457,989)	(20)	$ (637,917)	(60)
8720	Non-controlling interests		(93,701)	(4)	(177,796)	(16)
			$ (551,690)	(24)	$ (815,713)	(76)
	Loss per share (in dollars)					
9750	Basic loss per share	6(28)	$ (2.70)		$ (2.57)	
9850	Diluted loss per share	6(28)	$ (2.70)		$ (2.57)	

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

EGIS TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(Expressed in Thousands of New Taiwan dollars)

	Equity attributable to owners of the parent									
			Retained Earnings			Other Equity Interest				
Description	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (Accumulated deficits)	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total	Non-controlling interests	Total
Balance as of January 1, 2025	$ 912,508	$ 4,936,992	$ 725,338	$ 473,690	$ 128,848	$ 3,800	$ (637,629)	$ 6,543,547	$ 3,907,970	$ 10,451,517
Loss for the period	-	-	-	-	(234,414)	-	-	(234,414)	(196,046)	(430,460)
Other comprehensive income	-	-	-	-	-	4,759	(408,262)	(403,503)	18,250	(385,253)
Total comprehensive income (loss)	-	-	-	-	(234,414)	4,759	(408,262)	(637,917)	(177,796)	(815,713)
Disposal of equity instrument at fair value through other comprehensive income	-	-	-	-	(4,371)	-	4,371	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	296,551	-	-	-	-	-	296,551	-	296,551
Changes in ownership interests in subsidiaries	-	53,131	-	-	-	-	-	53,131	(53,131)	-
Changes in equity of associates accounted for using equity method	-	-	-	-	1,194	-	-	1,194	-	1,194
Changes in other capital surplus	-	2,928	-	-	-	-	-	2,928	-	2,928
Increase in non-controlling interests	-	-	-	-	-	-	-	-	914,198	914,198
Balance as of March 31, 2025(Note)	$ 912,508	$ 5,289,602	$ 725,338	$ 473,690	$ (108,743)	$ 8,559	$ (1,041,520)	$ 6,259,434	$ 4,591,241	$ 10,850,675
Balance as of January 1, 2026(Note)	$ 912,508	$ 7,538,789	$ 725,338	$ 603,821	$ (1,540,889)	$ 7,311	$ (1,052,278)	$ 7,194,600	$ 6,296,045	$ 13,490,645
Loss for the period	-	-	-	-	(245,944)	-	-	(245,944)	(92,211)	(338,155)
Other comprehensive income	-	-	-	-	-	505	(212,550)	(212,045)	(1,490)	(213,535)
Total comprehensive income (loss)	-	-	-	-	(245,944)	505	(212,550)	(457,989)	(93,701)	(551,690)
Changes in ownership interests in subsidiaries	-	53,903	-	-	-	-	-	53,903	(53,903)	-
Changes in equity of associates accounted for using equity method	-	-	-	-	867	-	-	867	-	867
Increase in non-controlling interests	-	-	-	-	-	-	-	-	176,269	176,269
Balance as of March 31, 2026	$ 912,508	$ 7,592,692	$ 725,338	$ 603,821	$ (1,785,966)	$ 7,816	$ (1,264,828)	$ 6,791,381	$ 6,324,710	$ 13,116,091

Note: The Group has completed the fair value assessment of Kiwi Technology Inc. and Fingerprint Cards AB as of the acquisition dates. Accordingly, the consolidated balance sheets as of December 31, 2025 and March 31, 2025 have been adjusted to reflect the results of the assessment.

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

English translation of consolidated financial statements originally issued in Chinese

EGIS TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(Expressed in Thousands of New Taiwan dollars)

Items	Three months ended March 31	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	$ (352,559)	$ (428,078)
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation	50,308	50,138
Amortisation	259,288	241,842
Expected credit impairment (gains) losses	(3,327)	5,003
Interest income	(15,402)	(15,858)
Interest expense	12,516	38,085
Gains from lease modification	-	(75)
Gains on financial assets at fair value through profit or loss	(14,093)	(7,089)
Share of loss of associates accounted for using equity method	29,494	36,340
Share-based payments	2,873	20,156
Losses on disposal of investment	-	(4,818)
Others	14	14
Changes in operating assets and liabilities		
Changes in operating assets		
Financial assets mandatorily measured at fair value through profit or loss	(18,885)	-
Accounts receivable (including related parties)	(53,664)	(4,871)
Other receivables (including related parties)	(3,047)	(1,005)
Inventories	451,517	89,490
Prepayments	(821,000)	(517,310)
Other current assets	136,950	(6,751)
Changes in operating liabilities		
Contract liabilities - current	594,666	637,926
Accounts payable	35,444	(112,705)
Other payables (including related parties)	(103,460)	(82,747)
Refund liabilities - current	(7,218)	4,248
Other current liabilities	(18,697)	8,724
Cash inflow (outflow) from operations	161,718	(49,341)
Income taxes paid	(13,535)	9,890
Interest received	15,249	15,560
Interest paid	(14,126)	(36,963)
Net cash flows generated from (used in) operating activities	149,306	(60,854)

Items	Three months ended March 31	
	2026	2025
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of financial assets at fair value through other comprehensive income	2,834	23,462
Increase in financial assets at amortised cost	-	(104,579)
Proceeds from disposal of financial assets at amortised cost	62,065	-
Acquisition of financial assets at fair value through profit or loss	(41,759)	(13,727)
Proceeds from disposal of financial assets at fair value through profit or loss	127,150	48,902
Acquisition of investments under the equity method	(50,000)	-
Proceeds from disposal of investments under the equity method	-	7,058
Cash flows generated from acquisition of subsidiaries (net of cash required)	220	26,698
Acquisition of property, plant and equipment	(24,457)	(13,738)
Proceeds from disposal of property, plant and equipment	49	138
Acquisition of intangible assets	(89,778)	(77,435)
Increase in non-current assets	(6,497)	(13,485)
Increase in guarantee deposits paid	(2,096)	-
Net cash flows used in investing activities	(22,269)	(116,706)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	764,000	2,538,000
Decrease in short-term loans	(843,125)	(2,380,591)
Decrease in other payables-related parties	(32)	(9,999)
Repayments of long-term debt	(20,628)	(221,428)
Payments of lease liabilities	(20,725)	(19,514)
Increase in other non-current liabilities	-	107
Capital collected in advance	-	68,897
Proceeds from issuance of shares by subsidiaries to non-controlling interests	200,000	726,977
Net cash flows generated from financing activities	79,490	702,449
Effect of exchange rate changes on cash and cash equivalents	732	2,516
Net increase in cash and cash equivalents	207,259	527,405
Cash and cash equivalents at beginning of period	2,647,141	2,205,166
Cash and cash equivalents at end of period	$ 2,854,400	$ 2,732,571

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

EGIS TECHNOLOGY INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organisation

Egis Technology Inc. (the “Company”) was incorporated on December 26, 2007 as a company limited by shares under the laws of the Republic of China (“R.O.C.”) and registered under the Ministry of Economic Affairs, R.O.C. The address of its registered office is 2F.-1, No.360, Ruiguang Rd., Neihu Dist., Taipei City, Taiwan. The Company and its subsidiaries (collectively the “Group”) are primarily engaged in the research, development, and sales of data security software, biometric identification software and hardware, wholesale of electronic materials, development and design of IC, intellectual property licensing of silicon and international trading.

2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation

These consolidated financial statements were authorised for issuance by the Company’s board of directors on May 14, 2026.

3. Newly issued or revised standards and interpretations

(1) Changes in accounting policies resulting from applying for the first-time certain standards and amendments

The Group applied for the first time the International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognised by Financial Supervisory Commission (“FSC”) and become effective for annual periods beginning on or after January 1, 2026. The adoption of these new standards and amendments had no material impact on the Group.

(2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board (“IASB”) which have been endorsed by FSC, but not yet adopted by the Group as at the date when the Group’s financial statements were authorized for issue are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective date issued by IASB
1	IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
2	IFRS 18, ‘Presentation and Disclosure in Financial Statements’	January 1, 2027 (Note)
3	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027
4	Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)	January 1, 2027

Note: On September 25, 2025, the Financial Supervisory Commission announced that Taiwan will adopt International Financial Reporting Standard (IFRS 18) starting in 2028.

The standards or interpretations that may have an impact on the Group are summarized as follows:

A. IFRS 18, ‘Presentation and Disclosure in Financial Statements’

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The main changes are as below:

(a) Improved comparability in the statement of profit or loss
IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analysing entities’ performance and make it easier to compare entities.

(b) Enhanced transparency of management-defined performance measures
IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

(c) Useful grouping of information in the financial statements
IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the new or amended standards and interpretations listed under IFRS 18'Presentation and Disclosure in Financial Statements', it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

4. Summary of Material Accounting Policies

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2025, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standard 34, 'Interim financial reporting' as endorsed and became effective by FSC.

B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2025.

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared on a historical cost basis:

(a) Financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income.
(b) Defined benefit assets recognised based on the net amount of pension fund assets less the present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations as endorsed and became effective by FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

The basis for the preparation of these consolidated financial statements is the same as the consolidated financial statements for the year ended December 31, 2025.

B. Subsidiaries included in the consolidated financial statements:

			Ownership (%)			
Investor	Name of subsidiary	Main business activities	March 31,2026	December 31, 2025	March 31,2025	Description
Egis	Egis Technology (Japan) Inc. (Japan)	Customer service, business promotion and technical service	100.00	100.00	100.00	
〃	Egis Technology Korea Inc. (Korea)	Customer service, business promotion and technical service	100.00	100.00	100.00	
〃	OceanX Inc.	Holding activity	100.00	100.00	100.00	
〃	Luxsentek Microelectronics Corp.	Technology development	86.93	86.93	86.93	
〃	Egis Intelligent (Shanghai) Co., Ltd.	Customer service, business promotion and technical service	100.00	100.00	100.00	
〃	Egis (Hong Kong) Limited	Holding activity	100.00	100.00	100.00	Note 1
〃	VASUBI Technology Inc.	Technology development	100.00	100.00	100.00	
〃	NUI Technology Inc.	Technology development	100.00	100.00	100.00	
〃	Alcor Micro, Corp. (Alcor)	Wholesale of electronic materials, development and design of integrated circuit and international trading, etc.	20.15	20.16	20.16	Notes 2 and 3
〃	TempoVision Inc. (Tempo Vision)	Technology development	26.32	33.33	100.00	Note 4
〃	InPsytech, Inc. (InPsytech)	Semiconductor Intellectual property core	62.77	62.77	100.00	Note 5

			Ownership (%)			
Investor	Name of subsidiary	Main business activities	March 31,2026	December 31, 2025	March 31,2025	Description
〃	XinPal Semi Sdn.Bhd. (XinPal)	Development, design and sales of integrated circuit	70	-	-	Note 6
Egis, Alcor and AlgolTek	Kiwi Technology Inc. (Kiwi)	Design of integrated circuit and solution of product	23.98	23.98	23.98	
Egis and Syncomm	Transducer Star Technology INC. (Transducer Star)	Technology development	90.53	90.53	94.81	Note 7
〃	Taurus Wireless Inc. (Taurus)	Technology development	100.00	100.00	100.00	Note 8
Kiwi	Egis Vision Inc.(Egis Vision)	Development, design and sales of integrated circuit	100.00	100.00	100.00	
Kiwi	Kiwi Technology Inc.	Product technical support services	100.00	100.00	100.00	
Alcor	Alcor Micro Technology, Inc. (AMTI)	Investment holdings	100.00	100.00	100.00	
〃	Chun-Feng Investment Limited (Chun-Feng)	General investment business	100.00	100.00	100.00	
〃	ENE Technology Inc. (ENE)	Development, design and sales of integrated circuit	17.67	17.67	17.67	Note 9
Alcor and Chun-Feng	Syncomm Technology Corp. (Syncomm)	Development, design and sales of integrated circuit	29.30	29.30	29.30	Notes 9
〃	AlgolTek, Inc. (AlgolTek)	Development, design and sales of integrated circuit	31.51	31.51	31.51	Notes 9
AMTI	Alcor Micro Technology (H.K.) Limited	Management and sales of electronic products	100.00	100.00	100.00	
AlgolTek	Joint Power Exponent, Ltd. (Joint Power exponent)	Development, design and sales of integrated circuit	50.25	50.25	50.25	
Joint Power exponent	Joint Power Exponent (ShenZhen), Ltd. (ShenZhen Joint Power Exponent)	Development, design and sales of integrated circuit	-	-	100.00	Note 10

Note 1: Egis (Hong Kong) Limited was incorporated on August 17, 2015 and the capital injection has not yet been completed by the Group.

Note 2: Although the Group’s shareholding ratio in Alcor was less than 50%, the Group obtained the majority voting rights in the Board of Directors through effective agreements with other shareholders. Thus, Alcor was included in the consolidated financial statements.

Note 3: As a result of the exercise of Alcor’s employee stock options, the Group’s total shareholding ratio changed to 20.15% as of March 31, 2026.

Note 4: On February 25, 2026 and June 27, 2025, Egisee Inc. conducted cash capital increases and issued 2,000 thousand and 6,000 thousand new shares, respectively. As the Group did not subscribe to the new shares in proportion to its original shareholding, the Group’s ownership interest changed to 26.32% and 33.33%, respectively. Even though the Group’s direct shareholding is below 50%, it retains substantive control over Egisee Inc., including decision-making authority over its financial, operational, and personnel matters, and directing its key relevant activities.

Note 5: The Group acquired InPsytech on July 31, 2024. In alignment with InPsytech’s application for emerging stock registration and public listing, the company has commenced a phased reduction of it’s shareholdings in August 2025. As of March 31, 2026, the Company’s shareholding ratio decreased to 62.77%.

Note 6: The Group acquired XinPal on January 2, 2026. Please refer to Note 6(32) for details.

Note 7: On July 5, 2024, Transducer Star issued 1,200 thousand new shares through a capital increase, all of which were subscribed by Egis, resulting in a change in the Group’s shareholding ratio to 93.72%. On January 3, 2025, Transducer Star issued 1,000 thousand new shares through a capital increase, which were subscribed by Syncomm, raising the Group’s shareholding ratio to 94.81%. Additionally, in May, 2025, Transducer Star implemented an employee stock option plan and granted 273 thousand shares, resulting in a change in the Group’s shareholding ratio to 90.53%.

Note 8: Taurus conducted a capital increase and issued new shares in August 2025, all of which were fully subscribed by Syncomm.

Note 9: The Group’s subsidiary, Alcor, was the single major shareholder of Syncomm, ENE and AlgolTek. Although the direct shareholding ratio did not reach 50%, Alcor had substantial decision-making power on each companies’ finance, operations and personnel administration, and in the conduct of their main business activities. Further, during the shareholders' meeting of each company, Alcor has obtained the majority voting right, and has substantial control power. Thus, they were included in the consolidated financial statements.

Note 10: The board of directors of ShenZhen Joint Power Exponent had resolved the dissolution of the company on September 19, 2024. The liquidation was completed on June 6, 2025.

For certain insignificant subsidiaries included in the consolidated financial statements, their financial statements for the same periods were not reviewed by independent auditors. As of March 31, 2026 and 2025, total assets amounted to $684,649 thousand and $428,103 thousand. Total liabilities amounted to $253,176 thousand and $153,450 thousand. Comprehensive income for the three-month periods ended March 31, 2026 and 2025 were $(79,051) and $(51,126) thousand.

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

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of March 31, 2025, December 31, 2025 and March 31, 2025, the non-controlling interest amounted to $6,324,710、$6,296,045 and $4,591,241, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

		Non-controlling interest	
	Principal place of	March 31, 2026	
Name of subsidiary	business	Amount	Ownership (%)
Alcor and its subsidiaries	Taiwan	$ 3,776,191	79.85%
InPsytech	Taiwan	2,282,740	37.23%
		$ 6,058,931	

		Non-controlling interest	
	Principal place of	December 31, 2025	
Name of subsidiary	business	Amount	Ownership (%)
Alcor and its subsidiaries	Taiwan	$ 3,821,358	79.84%
InPsytech	Taiwan	2,298,850	37.23%
		$ 6,120,208	

		Non-controlling interest	
	Principal place of	March 31, 2025	
Name of subsidiary	business	Amount	Ownership (%)
Alcor and its subsidiaries	Taiwan	$ 4,311,374	79.84%

Balance sheets

	Alcor and its subsidiaries		
	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	$ 4,360,302	$ 3,884,407	$ 4,518,443
Non-current assets	3,677,818	3,711,431	3,956,382
Current liabilities	(3,245,889)	(2,714,694)	(2,615,744)
Non-current liabilities	(377,857)	(378,295)	(698,728)
Total net assets	$ 4,414,374	$ 4,502,849	$ 5,160,353

Statement of comprehensive income

	Alcor and its subsidiaries	
	Three months ended March 31,	
	2026	2025
Revenue	$ 1,703,274	$ 376,548
Loss before income tax	$ (20,488)	$ 65,648
Income tax (expense) benefit	3,477	(14,175)
Loss, net of tax	(17,011)	51,473
Other comprehensive income	(58,652)	20,611
Total comprehensive income (loss)	$ (75,663)	$ 72,084
Comprehensive loss attributable to non-controlling interest	$ (46,399)	$ (154,852)
Dividends paid to non-controlling interest	$ 15,686	$ 31,373

Statement of cash flows

	Alcor and its subsidiaries	
	Three months ended March 31,	
	2026	2025
Net cash from operating activities	$ 510,660	$ 201,578
Net cash used in investing activities	(35,410)	(183,106)
Net cash (used in) from financing activities	(89,934)	679,277
Effect of exchange rate changes on cash and cash equivalents	180	271
Increase in cash and cash equivalents	385,496	698,020
Cash and cash equivalents, beginning of period	1,293,529	1,268,876
Cash and cash equivalents, end of period	$ 1,679,025	$ 1,966,896

Balance sheets

	InPsytech	
	March 31, 2026	December 31, 2025
Current assets	$ 971,254	$ 934,202
Non-current assets	5,778,615	5,868,813
Current liabilities	(116,648)	(109,356)
Non-current liabilities	(501,767)	(518,932)
Total net assets	$ 6,131,454	$ 6,174,727

Statement of comprehensive income

	InPsytech Three months ended March 31, 2026
Revenue	$ 100,289
Loss before income tax	$ (54,088)
Income tax (expense) benefit	10,818
Loss, net of tax	(43,270)
Other comprehensive income	-
Total comprehensive income (loss)	$ (43,270)
Comprehensive loss attributable to non-controlling interest	$ (16,110)
Dividends paid to non-controlling interest	$ -

Statement of cash flows

	InPsytech Three months ended March 31, 2026
Net cash from operating activities	$ 17,555
Net cash from investing activities	8,139
Net cash from financing activities	-
Effect of exchange rate changes on cash and cash equivalents	-
Increase in cash and cash equivalents	25,694
Cash and cash equivalents, beginning of period	681,465
Cash and cash equivalents, end of period	$ 707,159

(4) Employee benefits

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related disclosures are made in accordance with the above policy.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

There was no significant change in the reporting period. Refer to Note 5 in the consolidated financial statement for the year end December 31, 2025.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand and revolving funds	$ 1,026	$ 893	$ 1,110
Checking accounts and demand deposits	1,548,640	1,520,536	1,952,704
Time deposits	1,304,734	1,125,712	778,757
	$ 2,854,400	$ 2,647,141	$ 2,732,571

A.The above time deposits are highly liquid investments with a maturity of less than 3 months.

B. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

C. The restricted portion of cash and cash equivalents of the Group has been reclassified to financial assets measured at amortised cost. Please refer to Note 6(4) for details.

D. The Group has no cash and cash equivalents pledged to others as collateral.

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

	March 31, 2026		December 31, 2025		March 31, 2025	
Current items:						
Financial assets mandatorily measured at fair value through profit or loss						
Beneficiary certificates	$	281,144	$	321,002	$	253,763
Hybrid instrument - convertible bonds		-		-		7,700
Domestic listed stocks		-		-		4,270
Foreign listed stocks		1,638		-		-
	$	282,782	$	321,002	$	265,733

	March 31, 2026		December 31, 2025		March 31, 2025	
Non-current items:						
Financial assets mandatorily measured at fair value through profit or loss						
Beneficiary certificates	$	229,959	$	204,414	$	181,672
Domestic listed stocks		51,768		68,105		79,389
Domestic unlisted stocks		260,992		246,112		89,081
Foreign listed stocks		-		79,510		42,796
Foreign unlisted stocks		86,060		113,717		100,468
Rights under the investment agreement (Note)		19,197		-		-
	$	647,976	$	711,858	$	493,406

Note: The Group has entered into commercial cooperation agreements with external partners to develop specific technology markets. Based on the proportion of capital contributions, the Group is entitled to a share of returns from project development results.

A. For the three-month periods ended March 31, 2026 and 2025, the Group recognised gain on financial assets at fair value through profit or loss in the amount of $14,093 and $7,089, respectively.

B. Details of the Group’s financial assets at fair value through profit or loss pledged to others as collateral are provided in Note 8.

C. Information relating to fair value of financial assets at fair value through profit or loss is provided in Note 12(3).

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

	March 31, 2026	December 31, 2025	March 31, 2025
Current items:			
Debt instrument			
Bonds	$ 30,081	$ 33,120	$ 33,962
Equity instrument			
Domestic listed stocks	5,414	5,142	4,960
	$ 35,495	$ 38,262	$ 38,922
Non-current items:			
Equity instrument			
Domestic listed stocks	$ 681,263	$ 896,852	$ 815,546
Domestic unlisted stocks	403,615	466,135	649,486
Foreign listed stocks	23,116	30,840	52,354
Foreign unlisted stocks	331,079	269,910	245,145
	$ 1,439,073	$ 1,663,737	$ 1,762,531

A. The Group designated the above investments in debt instruments as financial assets at fair value through other comprehensive income, because these debt instruments represent those investments that the Group holds within a business model whose objective is achieved by both collecting the contractual cash flows and by selling financial assets.

B. The Group has elected to classify equity investments that are considered to be strategic investments and with steady dividend income as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $1,444,487, $1,668,879 and $1,767,491 as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

C. Aiming to satisfy the Group’s operating plan, the Group sold the share investment at fair value of $23,462 which resulted in cumulative losses on disposal of $(4,371) (deducted the amount from tax effect) for the three months ended March 31, 2025.

D. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Three months ended March 31,			
	2026		2025	
Equity instruments at fair value through other comprehensive income				
Fair value change recognised in other comprehensive income	$	(213,992)	$	(390,576)
Cumulative gains reclassified to retained earnings due to derecognition	$	-	$	(4,371)
Debt instruments at fair value through other comprehensive income				
Fair value change recognised in other comprehensive income	$	(762)	$	184
Interest income recognised in profit or loss	$	387	$	403

E. As of March 31, 2026, December 31, 2025 and March 31, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was the recognised carrying amount of financial assets.

F. Details of the Group's financial assets at fair value through other comprehensive income pledged to others as collateral are provided in Note 8.

G. Information relating to the fair value of financial assets at fair value through other comprehensive income is provided in Note 12(3).

(4) Financial assets at amortised cost

	March 31, 2026		December 31, 2025		March 31, 2025	
Current items:						
Time deposits with maturity over three months	$	288,680	$	340,680	$	624,026
Pledged demand deposits		6,957		17,587		3,249
Pledged time deposits		-		-		464,870
	$	295,637	$	358,267	$	1,092,145

	March 31, 2026		December 31, 2025		March 31, 2025	
Non-current items:						
Time deposits with maturity over one year	$	-	$	-	$	387
Pledged demand deposits		-		-		18,037
Pledged time deposits		37,586		37,021		38,781
	$	37,586	$	37,021	$	57,205

A. As of March 31, 2026, December 31, 2025 and March 31, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was the recognised carrying amount of financial assets.

B. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	Three months ended March 31,			
	2026		2025	
Interest income	$	1,520	$	6,885

C. Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

D. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2).

E. The counterparties of the Group's investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(5) Accounts receivable

	March 31, 2026		December 31, 2025		March 31, 2025	
Accounts receivable	$	531,994	$	462,751	$	556,133
Less: Allowance for accounts receivable		(18,218)		(21,477)		(5,061)
	$	513,776	$	441,274	$	551,072

A. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Not past due	$ 483,732	$ 434,557	$ 538,057
Up to 30 days	1,127	2,766	190
31 to 90 days	28,955	7,968	9,440
Over 91 days	18,180	17,460	8,446
	$ 531,994	$ 462,751	$ 556,133

The above ageing analysis was based on past due date.

B. As of March 31, 2026, December 31, 2025 and March 31, 2025, accounts receivable were all from contracts with customers.

C. As of March 31, 2026, December 31, 2025 and March 31, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the accounts receivable held by the Group was the recognised carrying amount of the financial assets.

D. The Group comprehensively considered the geographic area, product types and credit rating of each customer. The Group applies the modified approach using a provision matrix to estimate the expected credit loss. The Group used the consideration of forecast ability to adjust historical and timely information to assess the default possibility of accounts receivable. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group's expected credit loss rates were not significant.

E. Movements in relation to the Group applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	Three months ended March 31,	
	2026	2025
At January 1	$ 21,477	$ 54
Expected credit loss	9	5,003
Reversal of expected credit loss	(3,336)	-
Others	68	4
At March 31	$ 18,218	$ 5,061

F. Information relating to credit risk of accounts receivable is provided in Note 12(2).

G. The Group has not pledged accounts receivable as collateral.

H. The Group has obtained collaterals, including time deposits, promissory notes, and fixed assets, from some customers based on credit terms as guarantees for credit enhancement of accounts receivable.

(6) Inventories

	March 31, 2026	December 31, 2025	March 31, 2025
Raw materials	$ 102,943	$ 127,894	$ 93,733
Work in progress	265,093	225,173	283,782
Finished goods	71,444	537,930	90,675
	$ 439,480	$ 890,997	$ 468,190

A. For the three-month periods ended March 31, 2026 and 2025, the inventory costs which were recognised as cost of goods sold were $1,679,371 and $643,110, respectively. These amounts included a reversal of loss on inventory write-down in the amount of $4,024 and $8,510 for the three-month periods ended March 31, 2026 and 2025, respectively.

B. The Group has no inventories pledged to others as collateral.

C. The long-term contract that the Group’s subsidiary entered into with certain suppliers matured on December 31, 2025, and the commissioned minimum production amount was stipulated in the contract. Details of the loss arising from the insufficient amount that the production amount did not meet the production requirement are provided in Note 6(17).

(7) Investments accounted for using the equity method

A. Details of investments accounted for using the equity method are as follows:

	March 31, 2026		December 31, 2025	
Company name	Shareholding ratio	Amount	Shareholding ratio	Amount
iCatch Technology, Inc. (iCatchTek)	18.66%	$ 787,291	18.66%	$ 817,200
SCT Holdings Ltd. (SCT)	24.45%	-	24.45%	-
Appro Photoelectron Inc. (Appro) (Note 1)	20.32%	205,090	20.32%	202,645
Hsuan Yuan Technology Co., Ltd. (Hsuan Yuan) (Note 2)	21.98%	98,834	-	-
		$ 1,091,215		$ 1,019,845

	March 31, 2025	
Company name	Shareholding ratio	Amount
iCatch Technology, Inc. (iCatchTek)	18.66%	$ 980,907
SCT Holdings Ltd. (SCT)	24.45%	148,275
		$ 1,129,182

Note 1: In October 2025, the Group acquired a 20.32% equity interest in Appro through a private placement. Upon assessment, the Group does not possess the ability to direct the relevant activities of Appro; therefore, it does not have control over the entity but exercises significant influence.

Note2: The Group participated in the cash capital increase of Hsuan Yuan in February 2026, acquiring a 10.99% equity interest for a cash consideration of NT$50,000 thousand. Combined with the previously held 10.99% equity interest (originally accounted for as financial assets at fair value through profit or loss), the Group holds a total of 21.98% equity interest. Upon Assessment, the Group does not possess the ability to direct the relevant activities of Hsuan Yuan; therefore, it does not have control over the entity but exercise significant influence.

B. Shares of profit (loss) of associates accounted for using the equity method are as follows:

	Three months ended March 31,	
	2026	2025
iCatch Technology, Inc. (iCatchTek) (Note 1)	$ (30,773)	$ (31,285)
SCT Holdings Ltd. (SCT) (Note 2)	-	(2,758)
Terawins, Inc. (Terawins) (Note 2)	-	(2,297)
Appro Photoelectron Inc. (Appro) (Note 1)	2,445	-
Hsuan Yuan Technology Co., Ltd. (Hsuan Yuan) (Note 2)	(1,166)	-
	$ (29,494)	$ (36,340)

Note 1: The financial information of iCatchTek for the three-month periods ended March 31, 2026 and 2025 and Appro for the three-month period ended March 31, 2026 are recognised based on the financial statements reviewed by the auditors appointed by the investee.

Note 2: The financial information for the three-month periods ended March 31, 2026 and 2025 of SCT and Terawins and the financial information for the three-month periods ended March 31, 2026 of Hsuan Yuan were recognised based on the financial statements that were not reviewed by independent auditors.

C. The Group is the single largest shareholder of iCatchTek, and hold more than half of board seats in iCatchTek. As of March 31, 2026, according to the active degree of participation in the past shareholders' meeting, the Group has no absolute dominance in the voting right during the shareholders' meeting. Therefore, the Group has no control, but only has significant influence, over the investee, which was recognised as an associate.

D. On April 8, 2024, the group converted its receivables from SCT into equity investment, subscribing to 2,143 thousand shares at a price of US$ 1.4 (in dollars) per share, with a total price of approximately US$ 3,000 thousand (approximately $96,300). After the acquisition, the ownership percentage in the company increased to 24.45%.

Since the Group has recognised losses from SCT in excess of the investment cost, an assessment of the recoverable amount of SCT was conducted in 2025 with value-in-use as the basis for determining the recoverable amount.

E. The summarised financial information of the associates that are material to the Group is as follows:

<u>Balance sheets</u>

	iCatchTek		
	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	$ 1,361,829	$ 1,407,042	$ 1,505,644
Non-current assets	496,459	442,326	382,556
Current liabilities	(278,687)	(220,433)	(195,823)
Non-current liabilities	(84,545)	(73,500)	(36,361)
Total net assets	$ 1,495,056	$ 1,555,435	$ 1,656,016
Share in associate's net assets	$ 278,977	$ 290,244	$ 309,013
Goodwill	77,564	77,564	166,580
Excess of investments accounted for using the equity method	430,750	449,392	505,314
Carrying amount of the associate	$ 787,291	$ 817,200	$ 980,907

	Appro			
	Three months ended March 31,			
	2026		2025	
Current assets	$	417,315	$	425,416
Non-current assets		289,389		287,803
Current liabilities		(40,521)		(59,229)
Non-current liabilities		(12,701)		(12,540)
Total net assets	$	653,482	$	641,450
Share in associate's net assets	$	132,788	$	130,343
Goodwill		72,302		72,302
Carrying amount of the associate	$	205,090	$	202,645

Statement of comprehensive income (loss)

	iCatchTek			
	Three months ended March 31,			
	2026		2025	
Revenue	$	252,749	$	241,971
Loss for the period	$	(65,017)	$	(67,765)
Other comprehensive income		-		-
Total comprehensive loss		(65,017)		(67,765)
Share of loss for the period	$	(30,773)	$	(31,285)

	Appro	
	Three months ended March 31,	
	2026	
Revenue	$	79,258
Profit for the period	$	12,032
Other comprehensive income		-
Total comprehensive loss		12,032
Share of profit for the period	$	2,445

F. The Group's material associates, iCatchTek and Appro, have quoted market price. As of March 31, 2026, December 31, 2025 and March 31, 2025, the fair value of iCatchTek was $680,400、$817,200 and $834,300, respectively. As of March 31, 2026 and December 31, 2025, the fair value of Appro was $257,730 and $272,580, respectively.

G. The Group's investments in other companies were not individually material. The aggregate carrying amount of the Group's interests in other companies was $98,834, $0 and $0 as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively. The financial information of associates that are not individually material to the Group was as follows:

	Hsuan Yuan	
	Three months ended March 31,	
	2026	2025
Loss from continuing operations	$ (1,166)	$ -
Other comprehensive loss, net	-	-
Total comprehensive loss	$ (1,166)	$ -

	Terawins	
	Three months ended March 31,	
	2026	2025
Loss from continuing operations	$ -	$ (2,297)
Other comprehensive income, net	-	2
Total comprehensive loss	$ -	$ (2,295)

(8) Property, plant and equipment

	2026					
	Information equipment	Development equipment	Leasehold improvements	Others	Equipment under acceptance	Total
At January 1						
Cost	$ 129,612	$ 249,736	$ 56,121	$ 305,067	$ 74	$ 740,610
Accumulated depreciation	(103,724)	(207,934)	(29,719)	(187,614)	-	(528,991)
	$ 25,888	$ 41,802	$ 26,402	$ 117,453	$ 74	$ 211,619
At January 1	$ 25,888	$ 41,802	$ 26,402	$ 117,453	$ 74	$ 211,619
Additions	2,442	5,833	62	8,581	-	16,918
Acquired from business combinations	-	-	-	429	-	429
Disposals	-	-	(387)	(73)	-	(460)
Depreciation charge	(3,789)	(7,475)	(2,442)	(15,217)	-	(28,923)
Net exchange differences	$ (2)	3	-	5	-	6
At March 31	24,539	$ 40,163	$ 23,635	$ 111,178	$ 74	$ 199,589
At March 31						
Cost	$ 132,027	$ 253,600	$ 55,540	$ 316,463	$ 74	$ 757,704
Accumulated depreciation	(107,488)	(213,437)	(31,905)	(205,285)	-	(558,115)
	$ 24,539	$ 40,163	$ 23,635	$ 111,178	$ 74	$ 199,589

	2025					
	Information equipment	Development equipment	Leasehold improvements	Others	Equipment under acceptance	Total
At January 1						
Cost	$ 112,900	$ 311,326	$ 53,130	$ 175,066	$ -	$ 652,422
Accumulated depreciation	(90,461)	(200,879)	(26,419)	(100,594)	-	(418,353)
	$ 22,439	$ 110,447	$ 26,711	$ 74,472	$ -	$ 234,069
At January 1	$ 22,439	$ 110,447	$ 26,711	$ 74,472	$ -	$ 234,069
Additions	520	2,719	580	9,888	-	13,707
Acquired from business combinations	184	-	280	1,145	-	1,609
Disposals	(138)	-	-	-	-	(138)
Reclassification	-	14,960	-	(14,960)	-	-
Depreciation charge	(2,989)	(10,749)	(2,335)	(13,663)	-	(29,736)
Net exchange differences	4	2	-	-	-	6
At March 31	$ 20,020	$ 117,379	$ 25,236	$ 56,882	$ -	$ 219,517
At March 31						
Cost	$ 118,652	$ 352,247	$ 53,990	$ 156,221	$ -	$ 681,110
Accumulated depreciation	(98,632)	(234,868)	(28,754)	(99,339)	-	(461,593)
	$ 20,020	$ 117,379	$ 25,236	$ 56,882	$ -	$ 219,517

The Group has no property, plant and equipment pledged to others as collateral.

(9) Lease transactions－lessee

	March 31, 2026	December 31, 2025	March 31, 2025
Right-of-use assets:			
Buildings and structures	$ 198,446	$ 144,513	$ 203,069
Transportation equipment (Business vehicles)	705	881	1,469
Machinery and equipment	-	-	42
Other equipment	1,543	1,774	2,466
	$ 200,694	$ 147,168	$ 207,046
Lease liability:			
Current	$ 82,642	$ 60,995	$ 74,412
Non-current	123,211	90,543	140,352
	$ 205,853	$ 151,538	$ 214,764

A. The Group leases various assets including building, business vehicles, machinery and equipment and parking spaces. Rental contracts are typically made for periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as collateral for borrowing purposes.

B. The depreciation charge of right-of-use assets are as follows:

	Three months ended March 31,	
	2026	2025
Buildings and structures	$ 20,978	$ 19,745
Transportation equipment (Business vehicles)	-	301
Machinery and equipment	176	125
Other equipment	231	231
	$ 21,385	$ 20,402

C. For the three months ended March 31, 2026 and 2025, the additions to right-of-use assets were $75,212 and $456, respectively.

D. Short-term leases with a lease term of 12 months or less comprise parking spaces and warehouse. Low-value assets comprise multifunction printers and drinking fountain.

E. The information on profit or loss accounts relating to lease contracts is as follows:

	Three months ended March 31,	
	2026	2025
Items affecting profit or loss		
Interest expense on lease liabilities	$ 1,469	$ 1,454
Expense on short-term lease contracts	11,595	11,251
Expense on leases of low-value assets	97	577
Variable lease payments expenses	105	-
Revenue from sub-lease of right-of-use assets	1,680	537
Gain arising from lease modifications	-	75

F. For the three months ended March 31, 2026 and 2025, the Group's total cash outflows for leases were $33,991 and $32,796, respectively.

G. For the three months ended March 31, 2026 and 2025, due to the earlier termination of the lease contract and adjustment of the rent-free period, the Group’s right-of-use assets decreased by $0 and $1,679, lease liabilities decreased by $0 and $1,759 on March 31, 2026 and 2025, respectively.

H. Variable lease payments:

Some of the Group’s lease contracts contain variable lease payment terms, whereby the payments were calculated and expenses were recognised based on the quantity actually used during the period.

(10) Intangible assets

	2026					
	Goodwill	Patents	Acquired special technology	Customer relationship	Software cost	Total
At January 1						
Cost	$ 4,459,209	$ 227,223	$ 3,373,671	$ 2,367,821	$ 936,157	$ 11,364,081
Accumulated amortisation	(112,521)	(190,259)	(749,038)	(642,655)	(640,333)	(2,334,806)
	$ 4,346,688	$ 36,964	$ 2,624,633	$ 1,725,166	$ 295,824	$ 9,029,275
At January 1	$ 4,346,688	$ 36,964	$ 2,624,633	$ 1,725,166	$ 295,824	$ 9,029,275
Additions - acquired separately	-	-	-	-	224,117	224,117
Additions - acquired through business combinations (Note 1)	23,255	-	-	-	-	23,255
Amortisation charge	-	(4,279)	(100,595)	(86,676)	(67,738)	(259,288)
At March 31	$ 4,369,943	$ 32,685	$ 2,524,038	$ 1,638,490	$ 452,203	$ 9,017,359
At March 31						
Cost	$ 4,482,464	$ 227,223	$ 3,371,465	$ 2,367,821	$ 1,160,046	$ 11,609,019
Accumulated amortisation	(112,521)	(194,538)	(847,427)	(729,331)	(707,843)	(2,591,660)
	$ 4,369,943	$ 32,685	$ 2,524,038	$ 1,638,490	$ 452,203	$ 9,017,359

	2025					
	Goodwill	Patents	Acquired special technology	Customer relationship	Software cost	Total
At January 1						
Cost	$ 4,145,330	$ 227,223	$ 3,209,558	$ 2,367,821	$ 712,260	$ 10,662,192
Accumulated amortisation	-	(160,739)	(390,612)	(295,951)	(410,113)	(1,257,415)
	$ 4,145,330	$ 66,484	$ 2,818,946	$ 2,071,870	$ 302,147	$ 9,404,777
At January 1	$ 4,145,330	$ 66,484	$ 2,818,946	$ 2,071,870	$ 302,147	$ 9,404,777
Additions - acquired separately	-	-	6,503	-	1,114	7,617
Additions - acquired through business combinations (Note 1)	261,922	-	149,695	-	212	411,829
Reclassification (Note 2)	-	-	-	-	(3,867)	(3,867)
Amortisation charge	-	(10,434)	(95,503)	(86,676)	(49,229)	(241,842)
At March 31	$ 4,407,252	$ 56,050	$ 2,879,641	$ 1,985,194	$ 250,377	$ 9,578,514
At March 31						
Cost	$ 4,407,252	$ 227,223	$ 3,365,756	$ 2,367,821	$ 713,586	$ 11,081,638
Accumulated amortisation	-	(171,173)	(486,115)	(382,627)	(463,209)	(1,503,124)
	$ 4,407,252	$ 56,050	$ 2,879,641	$ 1,985,194	$ 250,377	$ 9,578,514

Note 1: For details regarding the business combination, please refer to Note 6(32).

Note 2: Pertains to a transfer to other current assets for the three months ended March 31, 2025.

A. Details of amortisation on intangible assets are as follows:

	Three months ended March 31,	
	2026	2025
Operating costs	$ 1	$ 1
Selling expenses	80,742	80,711
General and administrative expenses	2,173	4,601
Research and development expenses	176,372	156,529
	$ 259,288	$ 241,842

B. The Group has no intangible assets pledged to others.

C. Goodwill is allocated as follows to the Group's cash-generating units:

	March 31, 2026	December 31, 2025	March 31, 2025
Egis and subsidiaries:			
Biometric sensor chip and its application	$ 158,784	$ 158,784	$ 106,827
Wearable electroacoustic products and its application	5,159	5,159	5,159
IoT sensing products	192,215	192,215	261,922
Development on the intellectual property of silicon	3,209,689	3,209,689	3,209,689
High-speed data transmission chips (Note)	23,255	-	-
Alcor and subsidiaries:			
USB control chip and automotive sensor chip	594,847	594,847	594,847
Multimedia video converter control chip and its application	185,994	185,994	185,994
Smart power control IC	-	-	42,814
	$ 4,369,943	$ 4,346,688	$ 4,407,252

Note: The goodwill arising from high-speed data transmission chips is provisional and subject to finalization upon completion of the purchase price allocation. The Group performs impairment testing on the cash-generating units to which the goodwill is allocated at each annual financial reporting date, using value in use as the basis for determining the recoverable amount. In addition, the Group assesses at the end of each reporting period whether there are any indicators of impairment. As of March 31, 2026, no indicators of impairment of goodwill were identified.

a. As of December 31, 2025, the Group assessed that the fair value less costs of disposal of Kiwi technology was lower than its carrying amount. Based on the results of this analysis, management recognised a goodwill impairment loss of $69,707 for the year ended December 31, 2025. The fair value was measured using the market approach and categorized as Level 3 within the fair value hierarchy.

b. As of December 31, 2025, the Group assessed that the value in use of Joint Power Exponent was lower than its carrying amount. Based on the results of this analysis, management recognised a full impairment loss of $42,814 on the carrying amount of goodwill. The pre-tax discount rate used for the cash flow projections in the value-in-use calculation was 22.71% as of December 31, 2025, while cash flows beyond the five-year period were extrapolated using an operating revenue growth rate of 2%.

(11) Short-term borrowings

Type of borrowings	March 31, 2026	December 31, 2025	March 31, 2025
Bank borrowings			
Unsecured borrowings	$ 780,000	$ 834,000	$ 1,110,416
Secured borrowings	258,625	283,750	438,486
	$ 1,038,625	$ 1,117,750	$ 1,548,902
Other borrowings	-	-	120,000
Short-term borrowings	$ 1,038,625	$ 1,117,750	$ 1,668,902
Undrawn facilities	$ 1,713,945	$ 1,673,730	$ 825,800
Interest rate range	2.00%~2.60%	2.00%~2.60%	1.98%～6.25%

Information about the collateral that was pledged for short-term borrowings is provided in Note 8.

(12) Other payables

	March 31, 2026	December 31, 2025	March 31, 2025
Payable on investment funds (Note 1)	$ 228,025	$ 226,831	$ 228,008
Payable on wages, salaries and bonuses	204,104	315,549	182,821
Payable on acquisition of intangible assets	184,136	43,539	935,131
Payable on software licensing fees	22,551	7,128	66,562
Payable on dividends	15,686	-	31,373
Payable on professional service fees	15,315	17,552	14,363
Payable on royalties	8,368	3,020	4,069
Payable on machinery and equipment	6,638	14,177	6,327
Payable on employees’ compensation and directors’ remuneration	6,203	5,017	28,039
Payable on research, development and testing expenses	5,213	14,357	11,921
Payable on technical service expenditures	-	707	26
Payable on raw materials on behalf of subsidiary companies	-	2,459	706
Payable on Customs Duties	-	23,810	-
Others	91,118	76,861	132,439
	$ 787,357	$ 751,007	$ 1,641,785

Note: In October 2023, the Group acquired the subsidiary, StarRiver, and increased its shareholding in the subsidiary in May 2024. Certain agreed investment considerations amounted to $228,818, $57,929, $228,817 and $57,929 (before discounting) due on June 2, 2025, December 31, 2025, June 1, 2026 and December 31, 2026, respectively.

(13) Long-term borrowings

Type of borrowings	March 31, 2026	December 31, 2025	March 31, 2025
Long-term bank borrowings			
Unsecured borrowings	$ 69,143	$ 78,857	$ 208,572
Secured borrowings			
Syndicated borrowings	-	-	2,200,000
Bank borrowings	315,600	326,514	530,000
	384,743	405,371	2,938,572
Less: Current portion	(341,257)	(341,257)	(2,751,429)
	$ 43,486	$ 64,114	$ 187,143
Undrawn facilities	$ -	$ -	$ -
Maturity year	2025-2027	2025-2027	2025-2027
Interest rate range	2.25%~2.96%	2.24%~2.96%	2.03%～2.75%

A. Compliance with borrowing contracts

According to the borrowing agreements entered into between the Group and certain creditor banks, the Group is required to submit its consolidated financial statements for the first half of each year and at each year-end during the borrowing period, and maintain the financial ratios agreed upon by both parties. If the agreed ratios are not met, the borrowing interest rate shall be increased pursuant to the contract. For the year ended December 31, 2025 and the three-month period ended March 31, 2026, the Group’s net worth, current ratio, and interest coverage ratio did not meet the standards agreed with certain creditor banks. Consequently, the banks increased the borrowing interest rates in accordance with the loan agreements. However, the above adjustments had no material impact on the Group.

B. Information regarding the collateral that was pledged for long-term borrowings is provided in Note 8.

(14) Convertible Bonds

	March 31, 2026	December 31, 2025	March 31, 2025
Convertible Bonds Payable	$ 300,000	$ 300,000	$ 300,000
Less: Discount on Bonds Payable.	(8,415)	(10,088)	(15,050)
	$ 291,585	$ 289,912	$ 284,950

A. The issuance of domestic convertible bonds by the Group’s subsidiary- ENE

(A) The terms of the third domestic secured convertible bonds issued by ENE are as follows:

i. The Company issued the third domestic unsecured convertible bonds in the amount of $300,000, at 0% coupon rate, as approved by the competent authority. The bonds mature in 3 years from the issue date (from June 25, 2024 to June 25, 2027) and will be redeemed in a lump sum in cash at face value on the maturity date. The bonds were listed on the Taipei Exchange on June 25, 2024.

ii. The bondholders have the right to request for conversion of the bonds into common shares of ENE Technology Inc. during the period from the day after 3 month of the bonds issue (September 26,2024) to 40 days before the maturity date (May 16, 2027), except for the stop transferring period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model on each effective date regulated by the terms. The initial conversion price of the convertible bonds was NT$65.8 per share. In response to the ENE's distribution of cash dividends on common shares and the distribution of capital surplus in cash, the conversion price was adjusted to NT$63.3 per share on May 19, 2025.

iv. ENE Technology Inc. may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur: (i) the closing price of ENE Technology Inc. common shares is above the then conversion price by 50% for 30 consecutive trading days during the period from the date after one month of the bonds issue to 40 days before the maturity date, or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue to 40 days before the maturity date.

v. Under the terms of the bonds conversion, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

(B) As of March 31, 2026, no convertible bonds were converted into common shares and repurchased.

B. Regarding the issuance of convertible bonds of ENE, the equity conversion options in the amount of $20,876 were separated from the liability component and were recognised in 'capital surplus - others' in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets or liabilities at fair value through profit or loss' in accordance with IFRS 9 because the economic characteristics and risks of the debt instruments of the host contracts were not closely related. The effective interest rate of the bonds payable after such separation was 2.03%.

(15) Pensions

A. Defined benefit plan

(a) The domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labour pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the domestic subsidiaries will make contributions for the deficit by next March.

(b) For the aforementioned pension plan, no pension cost was recognised by the Group for the three-month periods ended March 31, 2026 and 2025.

(c) As of March 31, 2026, the Group did not make contributions to the retirement fund as the balance of the retirement fund had exceeded the present value of defined benefit obligation.

B. Defined contribution plan

(a) The Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) Other overseas entities have established a defined contribution plan under the local regulations and contribute a certain percentage of the salaries and wages of the local employees to the endowment insurance or pension fund. Other than the annual contributions, the entities have no further obligations.

(c) The pension costs under the defined contribution pension plans of the Group for the three-month periods ended March 31, 2026 and 2025 were $14,325 and $14,219, respectively.

(16) Share-based payment

A. As of March 31, 2026, the Group’s share-based payment arrangements were as follows:

Issuing entity	Type of arrangement	Grant date	Quantity granted (unit in thousands)	Contract period	Vesting conditions
Alcor	Employee subscription reserved for cash capital increase	2025.02.25	800	N/A	Vested immediately
"	Restricted stocks to employees	2023.03.20	723	3 years	Graded vesting at a certain percentage upon one year of service and achieving the required KPI (Note 1)
"	"	2022.01.03	477	3 years	Graded vesting at a certain percentage upon one year of service and achieving the required KPI (Note 2)
ENE	Employee stock option plan	2025.11.24	2,250	5 years	Graded vesting at a certain percentage upon two years of service and achieving the required KPI (Note 10)
"	Restricted stocks to employees	2022.05.10	20	3 years	Graded vesting at a certain percentage upon one year of service and achieving the required KPI (Note3)
"	"	2022.03.16	980	3 years	Graded vesting at a certain percentage upon one year of service and achieving the required KPI (Note 3)

Issuing entity	Type of arrangement	Grant date	Quantity granted (unit in thousands)	Contract period	Vesting conditions
Syncomn	"	2023.02.01	300	3 years	Graded vesting at a certain percentage upon one year of service and achieving the required KPI (Note 4)
"	"	2022.03.17	700	3 years	Graded vesting at a certain percentage upon one year of service and achieving the required KPI (Note 4)
Alcorlink	"	2021.11.05	1,000	3 years	Graded vesting at a certain percentage upon one year of service and achieving the required KPI (Notes 5 and 6)
Syncomn	Employee subscription reserved for cash capital increase	2024.6.18	80	N/A	Vested immediately (Note 7)
JOINT POWER	"	2025.01.14	235	N/A	Vested immediately
"	"	2024.01.23	3,750	N/A	Vested immediately
Transducer Star	Employee stock options	2024.10.01	1,500	1 years	(Note 8)
InPsytech, Inc.	"	2025.06.20	350	3 years	(Note 9)
TempoVision Inc.	"	2025.08.14	500	3 years	(Note 11)

(a) The restricted stocks issued by Alcor and Alcorlink cannot be sold, pledged, transferred, gifted, collateralised or disposed in any other method and have no rights to participate in the allocation (subscription) of dividends to original shareholders before meeting the vesting conditions.

(b) The restricted stocks issued by Syncomm and ENE cannot be sold, pledged, transferred, gifted, collateralised or disposed in any other method before meeting the vesting conditions.

The share-based payment arrangements above are settled by equity.

Note 1: Whether the vesting conditions have been met will be determined on March 31 each year and the restrictions on rights will be lifted from April 22 each year (postponed when the day falls on a public holiday).

Note 2: Whether the vesting conditions have been met will be determined on December 31 each year and the restrictions on rights will be lifted from January 31 each year (postponed when the day falls on a public holiday).

Note 3: Restricted stocks granted will be available to employees who meet certain performance requirements and are still employed after one year, two years and three years after the grant date at the rate of 20%, 30% and 50%, respectively.

Note 4: Restricted stocks granted will be available to employees who meet certain performance requirements and are still employed after one year, two years and three years after the grant date at the rate of 30%, 35% and 35%, respectively.

Note 5: Restricted stocks granted will be available to employees who meet certain performance requirements and are still employed after one year, two years and three years after the grant date at the rate of 30%, 30% and 40%, respectively.

Note 6: As a result of the share swap, AlgolTek assumed the performance obligation of employee restricted stocks initially issued by Alcorlink starting from the effective date of the share swap. Therefore, the underlying shares were changed from Alcorlink to AlgolTek, and the conversion price and quantity granted were adjusted based on the share swap ratio. The number of shares subscribable per unit was adjusted based on the share swap ratio of 1:0.6, and the quantity granted was changed from 1,000 thousand shares to 600 thousand shares.

Note 7: After the benchmark date for self-capital increase, certain employees are eligible to acquire 50% of the shares upon completing six months of service, and 100% upon completing one year of service.

Note 8: After the benchmark date for self-capital increase, certain employees are eligible to acquire 33% of the shares upon completing six months of service, 67% after completing nine months of service, and 100% after completing twelve months of service.

Note 9: According to the relevant regulations of the stock option plan, employees may exercise 100% of their options two days after the grant date. Upon exercise, the stock options shall be settled through the issuance of new shares.

Note 10: Employees who remain employed and meet the performance conditions for two and three years from the grant date of the restricted stocks are entitled to vest in 60% and 40% of the granted shares, respectively.

Note 11: Employees may exercise their stock options at 30%, 30%, and 40% after 6 months, 18 months, and 30 months from the grant date, respectively.

B. Details of the share-based payments are as follows:

Restricted stock plan

(a) Alcor:

	Three months ended March 31,	
	2026	2025
	Number (in thousands)	Number (in thousands)
Beginning balance of restricted stocks	43	86
Stocks vested	(43)	(43)
Ending balance of restricted stocks	-	43

(b) Alcorlink (had been converted to AlgolTek's restricted stocks):

	Three months ended March 31,	
	2026	2025
	Number (in thousands)	Number (in thousands)
Beginning balance of restricted stocks	-	156
Stocks vested	-	(117)
Stocks expired	-	(39)
Ending balance of restricted stocks	-	-

The above stock options had been converted from Alcorlink's shares into AlgolTek's shares at a ratio of 1:0.6.

(c) Syncomm:

	Three months ended March 31,	
	2026	2025
	Number (in thousands)	Number (in thousands)
Beginning balance of restricted stocks	94	455
Stocks vested	(94)	(21)
Stocks retired	-	(340)
Ending balance of restricted stocks	-	94

(d) ENE:

	Three months ended March 31,	
	2026	2025
	Number (in thousands)	Number (in thousands)
Beginning balance of restricted stocks	-	467
Stocks vested	-	(460)
Ending balance of restricted stocks	-	7

<u>Employee stock option plan</u>

(a) ENE:

	Three months ended March 31,	
	2026	2025
	Number (in thousands)	Number (in thousands)
Beginning balance of employee stock option plan	2,250	-
Stocks option expired	(45)	-
Ending balance of employee stock option plan	2,205	-
Ending balance of employee stock option plan outstanding	-	-

(b) Transducer Star:

	Three months ended March 31,	
	2026	2025
	Number (in thousands)	Number (in thousands)
Beginning balance of employee stock option plan	-	1,500
Stocks option expired	-	(227)
Stocks option exercised	-	(273)
Ending balance of employee stock option plan	-	1,000
Ending balance of employee stock option plan outstanding	-	-

(c) TempoVision:

	Three months ended March 31,	
	2026	2025
	Number (in thousands)	Number (in thousands)
Beginning balance of employee stock option plan	500	-
Stocks option expired	-	-
Ending balance of employee stock option plan	500	-
Ending balance of employee stock option plan outstanding	150	-

C. The fair value of restricted stocks to employees, treasury shares transferred to employees and employee stock options is measured using the Black-Scholes model. Relevant input information is as follows:

Issuing entity	Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility (Note 1)	Expected option life	Expected dividend rate	Risk-free interest rate	Fair value
Alcor	Employee subscription reserved for cash capital increase	2025.02.25	116.5	90.00	61.35%	0.041year	-	1.22%	26.63
"	Restricted stocks to employees	2023.03.20	34.85	0.00	Note 2				34.85
"	"	2022.01.03	60.50	0.00	Note 2				60.50
ENE	Employee stock option plan	2025.11.24	27.20	23.00	47.10% and 52.17%, respectively.	3.50 year and 4.00 year respectively.	-	1.1867% and 1.2107%, respectively.	11.20 and 12.65, respectively.
"	Restricted stocks to employees "	2022.05.10	40.25	0.00	Note 3				40. 25
"	"	2022.03.16	41.50	0.00	Note 3				41.50
Syncomm	"	2023.02.01	22.62	0.00	Note 2				22.62
"	"	2022.03.17	25.49	0.00	Note 2				25.49
Alcorlink	"	2021.11.05	34.70	0.00	Note 2				31.41~ 33.60
Syncomm	Employee subscription reserved for cash capital increase	2024.06.18	42.43	33.5	32.64%	0.02 year	-	1.32%	8.94

Issuing entity	Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility (Note 1)	Expected option life	Expected dividend rate	Risk-free interest rate	Fair value
JOINT POWER	"	2025.01.14	8.32	9.00	32.67%	0.01 year	0%	0.85%	0.00
"	"	2024.01.23	3.23	8.00	38.93%	0.02 year	0%	0.71%	0.00
Transducer Star.	Employee stock options	2024.10.01	10.00	10.00	31.14%	Note 4	0%	0.41%	Note 4
InPsytech, Inc.	"	2025.06.20	897	500.00	56.16%	1 year	0%	1.32%	448.7
TempoVision	"	2025.08.14	10.00	10.00	47.69% ~52.17%	3 years	0%	1.36%	2.26

Note 1: Expected price volatility rate was estimated by using the average price volatility of similar listed entities within the appropriate period and the historical common stock price volatility within a year from the date of the Company's assessment.

Note 2: The restricted stocks were issued at a price of NT$0 (in dollars) (i.e. without consideration) with a par value of $10 (in dollars) per share and measured at fair value based on the closing price on the grant date and taking into account restrictions on dividend collection.

Note 3: The restricted stocks were issued at a price of NT$0 (in dollars) (i.e. without consideration) with a par value of $10 (in dollars) per share and measured at fair value based on the closing price on the grant date.

Note 4: The employee stock options were issued at par value of NT$10 per share, the issuance price was NT$10 per share, and the fair value was measured at the latest price of cash capital increase of Transducer Star.

Note 5: The employee stock options were issued at par value of NT$10 per share, the issuance price was NT$500 per share, and the fair value was measured based on the book value per share on the grant date.

D. Compensation cost that the Group recognised for the abovementioned share-based payment transactions for the three-month periods ended March 31, 2026 and 2025 amounted to $2,873 and $20,156, respectively.

(17) Other Current Liabilities – Others

	March 31, 2026	December 31, 2025	March 31, 2025
Provisions	$ 24,855	$ 40,215	$ 34,225
Capital collected in advance	-	-	68,897
Others	21,441	24,514	15,809
	$ 46,296	$ 64,729	$ 118,931

	Three months ended March 31,	
	2026	2025
Beginning balance of Provisions	$ 40,215	$ 30,725
(Reversal)/Charge for the period	(15,360)	3,500
Ending balance of Provisions	$ 24,855	$ 34,225

The Group's subsidiary, ENE, entered into a long-term contract with certain suppliers, where the minimum production amount or quantity to be commissioned was provided in the contract. Management assessed that compensation may be paid for the related losses if the minimum production amount was not met, and thus a provision was recognised. The provision is recognised in profit or loss in the current period.

ENE regularly evaluates the performance of these contractual obligations and the related risks. In the three-month periods ended March 31, 2026, management assessed that the likelihood of an outflow of economic benefits for certain compensation obligations had decreased. Accordingly, the previously recognised provision of $15,360 was reversed and recorded as a reduction of cost of sales.

(18) Share capital

As of March 31, 2026, the Company's authorised capital was $2,000,000, consisting of 200,000 thousand shares of ordinary stock, and the paid-in capital was $912,508 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

(19) Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
Share premium	$ 4,936,992	$ 4,936,992	$ 4,974,388
Difference between consideration and carrying amount of subsidiaries acquired or disposed	2,583,658	2,583,658	259,155
Changes in ownership interests in subsidiaries	72,042	18,139	53,131
Others	-	-	2,928
	$ 7,592,692	$ 7,538,789	$ 5,289,602

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid- in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(20) Retained earnings

A. The current year's earnings, if any, shall first be used to pay all taxes and offset accumulated operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the paid-in capital. After that, a special reserve shall be set aside or reverse in accordance with the related laws or regulations made by the regulatory authority. The remainder along with the opening balance of unappropriated earnings shall be proposed by the board of directors and submitted to the shareholders during their meeting for resolution when they are distributed in the form of new shares; and resolved by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors then reported to the shareholders during their meeting according to Paragraph 5 of Article 240 of the Company Act when they are distributed in the form of cash.

B. The Company's dividend policy is adopted by taking into consideration current and future development plans, investment environment, capital needs, domestic and foreign competitors, shareholders' interests and the general standards of dividend distribution in the industry and capital market. The dividends to shareholders can be distributed in the form of cash or shares and cash dividends shall account for at least 20% of the total dividends distributed.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. In accordance with the regulations, the Company shall set aside special reserve for the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

E. The appropriations of 2025 and 2024 earnings as resolved by the board of directors at their meeting on March 16, 2026 and the shareholders at their meeting on June 25, 2025 respectively, which are as follows:

	2025		2024	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Appropriate (reversal) of special reserve	$ -	-	$ 130,131	-

F. The Company has accumulated deficits as of the year ended December 31, 2025, the Board of Directors resolved on March 16, 2026 not to distribute any dividends.

(21) Other equity interest

	Currency translation	Unrealised losses on valuation	Total
At January 1, 2026	$ 7,311	$ (1,052,278)	$ (1,044,967)
Currency translation differences			
- Group	505	-	505
Unrealised losses from investments in equity instruments measured at fair value through other comprehensive income			
- Group	-	(212,396)	(212,396)
Unrealised losses from investments in debt instruments measured at fair value through other comprehensive income			
- Group	-	(154)	(154)
At March 31, 2026	$ 7,816	$ (1,264,828)	$ (1,257,012)

	Currency translation	Unrealised (losses) gains on valuation	Total
At January 1, 2025	$ 3,800	$ (637,629)	$ (633,829)
Currency translation differences			
- Group	4,759	-	4,759
Unrealised losses from investments in equity instruments measured at fair value through other comprehensive income			
- Group	-	(408,301)	(408,301)
- Reclassifications of disposal of investments accounted for other comprehensive income to retained earning	-	4,371	4,371
Unrealised gains from investments in debt instruments measured at fair value through other comprehensive income			
- Group	-	39	39
At March 31, 2025	$ 8,559	$ (1,041,520)	$ (1,032,961)

(22) Operating revenue

A. The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major geographical regions:

	Three months ended March 31, 2026		
	Egis and its subsidiaries	Alcor and its subsidiaries	Total
Major geographical regions:			
Taiwan	$ 55,342	$ 225,605	$ 280,947
Asia	466,615	1,384,270	1,850,885
America	47,914	195	48,109
Others	-	90,838	90,838
	$ 569,871	$ 1,700,908	$ 2,270,779

	Three months ended March 31, 2025		
	Egis and its subsidiaries	Alcor and its subsidiaries	Total
Major geographical regions:			
Taiwan	$ 51,308	$ 159,849	$ 211,157
Asia	644,520	216,448	860,968
America	-	153	153
Others	-	66	66
	$ 695,828	$ 376,516	$ 1,072,344

	Three months ended March 31, 2026		
	Egis and its subsidiaries	Alcor and its subsidiaries	Total
Major product/service lines:			
Sales revenue	$ 423,947	$ 1,563,208	$ 1,987,155
Service revenue	45,889	137,479	183,368
Licensing revenue	100,035	221	100,256
	$ 569,871	$ 1,700,908	$ 2,270,779

	Three months ended March 31, 2025		
	Egis and its subsidiaries	Alcor and its subsidiaries	Total
Major product/service lines:			
Sales revenue	$ 627,289	$ 376,450	$ 1,003,739
Service revenue	2,081	11	2,092
Licensing revenue	66,458	55	66,513
	$ 695,828	$ 376,516	$ 1,072,344

B. The Group has recognised the revenue-related contract liabilities - advance receipts amounting to $2,422,304, $1,827,638, $895,910 and $257,984 on March 31, 2026, December 31, 2025, March 31, 2025 and January 1, 2025, respectively.

C. The revenue recognised that was included in the contract liability balance as of March 31, 2026 and 2025 were $1,371,430 and $74,674 respectively.

D. Assets recognised from costs to fulfil a contract

The Group entered into entrusted design service contracts with customers. Costs incurred should be recognised in assets and accounted as other current assets in the balance sheet under IFRS 15 if they generate resources used in satisfying the contract and are expected to be recovered. As of March 31, 2026, December 31, 2025 and March 31, 2025, the balance was $18,352, $146,582 and $54,056, respectively.

(23) Interest income

	Three months ended March 31,	
	2026	2025
Interest income from bank deposits	$ 10,818	$ 8,339
Other interest income	4,584	7,519
	$ 15,402	$ 15,858

(24) Other gains and losses

	Three months ended March 31,	
	2026	2025
Gains on financial assets at fair value through profit or loss	$ 14,093	$ 7,089
Disposal of property, plant and equipment	(411)	-
Foreign exchange gains	4,279	10,435
Gains from lease modifications	-	75
Gains on disposal of investments	-	4,818
Other losses	(221)	(502)
	$ 17,740	$ 21,915

(25) Finance costs

	Three months ended March 31,	
	2026	2025
Interest expense on bank borrowings	$ 9,567	$ 36,421
Lease liability	1,469	1,454
Other interest expense	1,480	210
	$ 12,516	$ 38,085

(26) Expenses by nature

	Three months ended March 31, 2026		
	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expense			
Wages and salaries	$ 1,779	$ 320,178	$ 321,957
Share-based payments	-	2,873	2,873
Directors' remuneration	-	4,849	4,849
Labour and health insurance fee	157	22,094	22,251
Pension costs	98	14,227	14,325
Other personnel expenses	-	12,221	12,221
	$ 2,034	$ 376,442	$ 378,476
Depreciation charges	$ 2,828	$ 47,480	$ 50,308
Amortisation charges	$ 1	$ 259,287	$ 259,288

	Three months ended March 31, 2025		
	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expense			
Wages and salaries	$ 2,204	$ 304,415	$ 306,619
Share-based payments	136	20,020	20,156
Directors' remuneration	-	7,504	7,504
Labour and health insurance fee	176	21,944	22,120
Pension costs	107	14,112	14,219
Other personnel expenses	66	9,292	9,358
	$ 2,689	$ 377,287	$ 379,976
Depreciation charges	$ 5,526	$ 44,612	$ 50,138
Amortisation charges	$ 1	$ 241,841	$ 241,842

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year shall be distributed as employees’ compensation and directors’ remuneration. The ratio shall not be lower than 5% for employees’ compensation and shall not be higher than 1% for directors’ remuneration. However, if the Company has accumulated losses, earnings should be reserved to cover losses first. The aforementioned employees’ compensation can be distributed in the form of shares or cash. The employees that the Company shall distribute employees’ compensation include the employees of subsidiaries who meet the requirements prescribed by the Board of Directors. The directors’ remuneration can only be distributed in the form of cash.

B. For the three months ended March 31, 2026 and 2025, the Company incurred loss before tax and thus did not accrue and distribute employees' compensation and directors' remuneration.

C. In accordance with the Articles of Incorporation, on March 16, 2026 and March 20, 2025, the Board of Directors resolved not to distribute directors' remuneration and employees' compensation due to the loss for the years ended December 31, 2025 and December 31, 2024 respectively.

D. Information about directors' remuneration and employees' compensation of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(27) Income tax

A. Income tax expense (benefit)

(a) Components of income tax expense (benefit):

	Three months ended March 31,	
	2026	2025
Current tax:		
Current tax on profit for the period	$ 7,876	$ 26,993
Prior year income tax under (over) estimation	14	(688)
Total current tax	7,890	26,305
Deferred tax:		
Origination and reversal of temporary differences	(22,294)	(23,923)
Total deferred tax	(22,294)	(23,923)
Income tax (benefit) expense	$ (14,404)	$ 2,382

B. The assessed and approved status of the Company's income tax returns is as follows:

	Assessed and approved status
EGIS TECHNOLOGY INC.	Assessed and approved through 2023

(28) Loss per share

	Three months ended March 31, 2026		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
Basic and diluted loss per share			
Loss attributable to ordinary shareholders of the parent	$ (245,944)	91,250	$ (2.70)

	Three months ended March 31, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
Basic and diluted loss per share			
Loss attributable to ordinary shareholders of the parent	$ (234,414)	91,250	$ (2.57)

Note: Since the Company incurred net losses for the three months ended March 31, 2026 and 2025, the potential ordinary shares would have an anti-dilutive effect. Therefore, the calculation of diluted loss per share is the same as the calculation of basic loss per share.

(29) Non-controlling interest

	2026	2025
At January 1		
Share attributable to non-controlling interest:	$ 6,296,045	$ 3,907,970
Loss for the period	(92,211)	(196,046)
Currency translation differences	714	380
Unrealised gains (losses) on valuation of financial assets measured at fair value through other comprehensive income		
-Equity instrument	(1,596)	17,725
-Debt instrument	(608)	145

	2026	2025
Cash capital increase	200,000	726,977
Changes in ownership interests in subsidiaries (Note)	(53,903)	-
Increase (decrease) in non-controlling interests (Note)	(8,045)	165,463
Distribution of earnings for non-controlling interests	(15,686)	(31,373)
At March 31	$ 6,324,710	$ 4,591,241

(30) Supplemental cash flow information

A. Investing activities with partial cash payments

	Three months ended March 31,	
	2026	2025
Purchase of property, plant and equipment	$ 16,918	$ 13,707
Add: Opening balance of payable on equipment	14,177	6,358
Ending balance of prepayments	13,951	13,951
Less: Opening balance of prepayments	(13,951)	(13,951)
Ending balance of payable on equipment	(6,638)	(6,327)
Cash paid during the period	$ 24,457	$ 13,738

	Three months ended March 31,	
	2026	2025
Purchase of Intangible assets	$ 224,117	$ 7,617
Add: Opening balance of payable on acquisition of intangible assets	43,539	995,132
Ending balance of prepayments	77,788	42,566
Less: Opening balance of prepayments	(71,530)	(32,749)
Less Ending balance of payable on Acquisition of intangible assets	(184,136)	(935,131)
Cash paid during the period	$ 89,778	$ 77,435

Investing activities with partial cash settlement:

	Three months ended March 31, 2026	Three months ended March 31, 2025
Disposal of financial assets at fair value through other comprehensive income	$ 2,834	$ 23,462
Add: Opening balance of receivable on financial asset	23,097	-
Less: Ending balance of receivable on financial asset	(23,097)	-
Cash received during the period	$ 2,834	$ 23,462

B. Financing activities with no cash flow effect

	Three months ended March 31, 2026	Three months ended March 31, 2025
Cash dividends declared but yet to be paid	$ 15,686	$ 31,373

(31) Changes in liabilities from financing activities

	Short-term borrowings	Long-term borrowings (including current portion)	Lease liabilities	Convertible Bonds Payable
At January 1, 2026	$ 1,117,750	$ 405,371	$ 151,538	$ 289,912
Changes in cash flow from financing activities	(79,125)	(20,628)	(20,725)	-
Changes in other non-cash items	-	-	75,040	1,673
At March 31, 2026	$ 1,038,625	$ 384,743	$ 205,853	$ 291,585

	Short-term borrowings	Long-term borrowings (including current portion)	Lease liabilities	Convertible Bonds Payable
At January 1, 2025	$ 1,511,493	$ 3,160,000	$ 167,840	$ 283,315
Changes in cash flow from financing activities	157,409	(221,428)	(19,514)	-
Changes in acquisition of subsidiaries	-	-	67,666	-
Changes in other non-cash items	-	-	(1,228)	1,635
At March 31, 2025	$ 1,668,902	$ 2,938,572	$ 214,764	$ 284,950

(32) Business combinations

A. To diversify EGIS vision's business operations and achieve operational synergies, on January 15, 2025, the Group acquired a 25.55% equity interest of Kiwi Technology Inc. through a share exchange. This acquisition positions Egis Vision Inc. as the largest single shareholder of Kiwi Technology Inc., allowing it to secure majority votes in the shareholders' meetings of companies and has substantial control over Kiwi Technology Inc., Therefore the subsidiary is included in the consolidated financial statements.

(a) The following table summarises the fair values of the assets acquired and liabilities assumed from the combination of Kiwi Technology Inc. at the acquisition date, as well as the non- controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets at the acquisition date:

	January 15, 2025
Purchase consideration	
Equity Instruments	$ 294,664
Non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets	199,523
	494,187
Fair value of the identifiable assets acquired and liabilities assumed	
Current assets	83,667
Financial assets measured at fair value through profit or loss - non-current	42,817
Property, plant and equipment	1,609
Right-of-use assets	64,870
Intangible assets - computer software	212
Intangible assets - specialized technology	149,695
Other non-current assets	6,060

	January 15, 2025
Current liabilities	(84,019)
Non-current liabilities	(2,707)
Deferred tax liabilities	(29,939)
Total identifiable net assets	232,265
Goodwill	$ 261,922

(b) From the date of acquisition of Kiwi Technology Inc. on January 15, 2025, the operating revenue and net loss before tax contributed by Kiwi Technology Inc. were $15,490 and $(3,104), respectively. Had Kiwi Technology Inc. been consolidated from January 1, 2025, the Group's operating revenue and net loss before tax would have been $1,072,745 and $(420,747), respectively.

(c) The purchase price allocation related to the identifiable intangible assets acquired by the Group was completed in the first quarter of 2026.

The comparative information as of March 31, 2025 has been retrospectively adjusted to reflect the aforementioned differences. The details of the adjustments are as follows:

Affected Items	(Before Adjustment) March 31, 2025	Adjustment Amount	(After Adjustment) March 31, 2025
Intangible assets – Goodwill	$ 278,803	$ (16,881)	$ 261,922
Intangible assets – Proprietary technology	-	149,695	149,695
Deferred income tax liabilities	-	29,939	29,939
Non-controlling interests	96,468	102,875	199,523

B. In order to expand the business of biometric sensor chip development, the Group acquired the mobile division of Fingerprint Cards AB (hereinafter referred to as FPC) on August 15, 2025.

(a) The following table summarises the fair values of the assets acquired, liabilities assumed and consideration paid for FPC on the acquisition date:

	August 15, 2025
Purchase consideration	$ 122,560
Fair value of the identifiable assets acquired and liabilities assumed	
Intangible assets	88,254
Deferred tax liabilities	(17,651)
Total identifiable net assets	70,603
Goodwill	$ 51,957

Intangible assets refer to specialized technology and are amortised over their respective periods of expected future economic benefits. The acquisition consideration amounted to USD 4 million, approximately equivalent to NT$122,560 thousand. The consideration was fully paid during the year ended December 31, 2025. The related purchase price allocation has been completed in the first quarter of 2026.

(b) The purchase price allocation related to the identifiable intangible assets acquired by the Group was completed on March 31, 2026.

The comparative information as of December 31, 2025 has been retrospectively adjusted to reflect the aforementioned differences. The details of the adjustments are as follows:

Affected Items	(Before Adjustment) December 31, 2025	Adjustment Amount	(After Adjustment) December 31, 2025
Intangible assets – Goodwill	$ 41,121	$ 10,836	$ 51,597
Intangible assets – Proprietary technology	81,439	6,815	88,254
Deferred income tax liabilities	-	17,651	17,651

C. In order to facilitate diversified business development and achieve operational synergies,, the Group acquired a 70% equity interest in XinPal Semi Sdn. Bhd. (XinPal) on January 2, 2026, and thereby obtained control over XinPal.

(a) The following table summarises the fair values of the assets acquired, liabilities assumed and consideration paid for XinPal on the acquisition date:

	January 2, 2026
Purchase consideration	
Cash	$ 22,057
Non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets	(513)
	21,544
Fair value of the identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	220
Prepayments	280
Other current assets	4,819
Property, plant and equipment	1,609
Other payables	(7,459)
Total identifiable net assets	(1,711)
Goodwill	$ 23,255

(b) The consideration for the acquisition of XinPal amounted to USD 700 thousand (approximately $22,057), which was fully paid in 2025.

(c) From the date of acquisition of XinPal on January 2, 2026, the operating revenue and net loss before tax contributed by XinPal were $1,456 and $(1,920), respectively. Had XinPal been consolidated from January 1, 2026, the Group's operating revenue and net loss before tax would have been $2,270,779 and $(352,559), respectively.

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
Mr. SEN-CHOU LO	The president of the Company
iCatch Technology Inc. (iCatchTek)	Associate - investee company accounted for using the equity method
Terawins, Inc. (Terawins)	Associate - investee company accounted for using the equity method (Note 1)
SCT Holdings Ltd. and its subsidiaries (SCT Ltd.)	Associate - investee company accounted for using the equity method
Gear Radio Electronics Corp. (Gear)	Other related party
Hsuan Yuan Technology CO., LTD. (Hsuan Yuan)	Associate - investee company accounted for using the equity method

Note 1: In March, 2025, the Group disposed a portion of common stock in Terawins, reducing its ownership percentage to 9.88%. Upon assessment, it was determined that the Group no longer has significant influence over Terawins. On May 21, 2025, Terawins re-elected its board of directors and since the Group did not secure any board seats, Terawins is no longer considered a related party of the Group.

(2) Significant related party transactions

A. Operating revenue

	Three months ended March 31,	
	2026	2025
Sales of services:		
Terawins	$ -	$ 833
iCatchTek	-	10,771
	$ -	$ 11,604

The sales of services by the Group to related parties mainly pertain to technical service revenue and licensing revenue. The transaction prices were negotiated by both parties and the collection terms were the same as those of non-related parties.

B. Technical service expenditures

	Three months ended March 31,	
	2026	2025
Purchases of services:		
iCatchTek	$ -	$ 482

For the purchases of services and technology licensing from related parties, the transaction prices were negotiated by both parties and the payment term was 30 days.

C. Purchase

	Three months ended March 31,	
	2026	2025
Purchases of goods:		
Hsuan Yuan	$ 736	$ -

For the purchases of goods from related parties, the transaction prices were negotiated by both parties and the payment term was 30 days.

D. Other revenue

	Three months ended March 31,	
	2026	2025
Other revenue:		
iCatchTek	$ 1,000	$ -

The revenue arises mainly from the Group’s provision of integrated planning services to related parties.

E. Accounts receivable due from related parties

	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable:			
Terawins (Note)	$ -	$ -	$ 60
iCatchTek	-	15,511	-
	-	15,511	60
Other receivables:			
SCT Ltd.	-	-	2,899

Note: The receivables from the related party have been secured by a time deposit certificate of $3,000 provided by Terawins.

The receivables from related parties arise mainly from provision of services and purchasing inventories on behalf of associates. The receivables are unsecured in nature and bear no interest. There are no allowances for uncollectible accounts held against receivables from related parties.

F. Prepayments

	March 31, 2026	December 31, 2025	March 31, 2025
Other non-current assets (prepayments on intangible assets):			
Gear	$ 41,294	$ 35,036	$ 25,977
Prepayments:			
Gear	3,573	2,374	1,220
Hsuan Yuan	359	-	-
	$ 45,226	$ 37,410	$ 27,197

G. Other payables

Other Payables - Related Parties:

	March 31, 2026	December 31, 2025	March 31, 2025
SEN-CHOU LO	$ 11,406	$ 11,346	$ 11,402
Terawins	-	-	402
Gear	-	405	-
	$ 11,406	$ 11,751	$ 11,804

Other non-current liabilities:

	March 31, 2026	December 31, 2025	March 31, 2025
SEN-CHOU LO	$ -	$ -	$ 11,164

The other payables to related parties arise mainly from the transaction for acquisition of subsidiaries' equity interest.

H. Loans from related party

Ending balance:

	March 31, 2026	December 31, 2025	March 31, 2025
SEN-CHOU LO	$ 49,624	$ 36,096	$ 24,570

Interest expense:

	Three months ended March 31,	
	2026	2025
SEN-CHOU LO	$ 28	$ 79

The primary purpose is to borrow funds for use as working capital.

I. Unrecognised contract commitments

The Group entered into contracts for the licensing of intangible assets with Gear. As of March 31, 2026, the licensing costs contracted but not yet paid was US$900 thousand.

(3) Key management compensation

	Three months ended March 31,	
	2026	2025
Short-term employee benefits	$ 34,866	$ 33,034
Post-employment benefits	665	709
Share-based payments	115	8,908
	$ 35,646	$ 42,651

8. Pledged Assets

The Group’s assets pledged as collateral are as follows:

	Carrying Amount			
Pledged asset	March 31, 2026	December 31, 2025	March 31, 2025	Purpose
Pledged demand deposits（recorded as financial assets measured at amortised cost - current）	$ 6,957	$ 17,587	$ 3,249	Note 1 Note 6
Pledged time deposits（recorded as financial assets measured at amortised cost - current）	-	-	464,870	Note 1
Pledged demand deposits（recorded as financial assets measured at amortised cost - non-current）	-	-	18,037	Note 4
Pledged time deposits（recorded as financial assets measured at amortised cost - non-current）	37,586	37,021	38,781	Note 2
Financial assets at fair value through profit or loss – non-current	-	-	78,084	Note 4
Financial assets at fair value through other comprehensive income – non-current	681,263	896,852	787,675	Note 1 Note 3
Investments accounted for using the equity method	-	-	980,907	Note 4
Stock of subsidiary	350,629	357,681	7,133,151	Note 4 Note 5
	$ 1,076,435	$ 1,309,141	$ 9,504,754	

Note 1: Guarantees for bank performance.

Note 2: Guarantees for custom duties on imported raw materials and purchases of raw materials and supplies.

Note 3: Guarantee for long-term bank borrowings.

Note 4: Guarantee for syndicated borrowings.

Note 5: Guarantee for short-term bank borrowings.

Note 6: Performance guarantee for government R&D subsidies.

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

A. In May 2024, the Company received a letter from Lenovo Group Ltd., requesting the Company to share Lenovo Group Ltd.'s litigation costs and settlements in the U.S. patent lawsuit based on the warranty clause in the fingerprint reader supply contract. However, there might be only one lawsuit of Lenovo Group Ltd. related to fingerprint readers, and whether the patent is associated with the fingerprint readers provided by the Company remains to be clarified. On July 1, 2025, the Company formally engaged legal counsel to initiate contact with Lenovo Group Ltd.'s external attorneys. It was agreed that Lenovo Group Ltd. would provide complete information to the Company upon execution of a confidentiality agreement by both parties. On April 22, 2025, the Company submitted its proposed revisions to the confidentiality agreement provided by Lenovo Group Ltd. As of March 31, 2026, Lenovo Group Ltd. had not responded to the proposed revisions.

B. In 2022, StarRiver Semiconductor Corp. ("StarRiver"), a subsidiary of Alcor, entered into a contract with Microip Inc. ("Microip") for outsourced IC development services, with a total contract amount of approximately USD 1,900 thousand, payable in instalments based on project progress. Following Alcor's merger with StarRiver in 2024, Alcor succeeded to all rights and obligations under the contract. During the later stage of execution, disputes arose between the parties at the acceptance phase regarding certain technical specifications and performance criteria, and Alcor made certain adjustments within the scope of the original contract to meet customer requirements. Although Microip subsequently settled part of the previously overdue payments, as of project completion, acceptance payments totaling USD 539 thousand remained outstanding, for which Alcor fully recognised an allowance for impairment loss in 2025. In January 2026, Microip alleged that the delivered results did not comply with the contractual agreement, declared contract termination, and sought a refund of payments made along with related damages. The parties entered into legal proceedings in April 2026, and as of the financial reporting date, the case remains pending before the court, with the final outcome and its impact on Alcor's financial position not yet determinable.

(2) Commitments

A. A subsidiary of the Group, ENE Technology Inc., entered into contracts for the licensing of software. As of March 31, 2026, the purchases contracted but not yet paid amounted to $47,929.

B. The Group's subsidiary, AlgolTek, signed contracts for the purchase of intangible assets and for commissioning chip and IC component designs. As of March 31, 2026, the contracted but unpaid amount was $6,441.

C. Refer to Note 7 for unrecognised contracts with related parties.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

A. The Company resolved, upon review by the Audit Committee on May 14, 2026, and approval by the Board of Directors, to discontinue the private placement of ordinary shares, which had been approved by the 2025 annual shareholders' meeting and originally authorized to be implemented within one year with a total issuance not exceeding 10,000,000 shares.

B. A subsidiary of the Group, Alcor, resolved at the Board of Directors meeting on April 28, 2025, to issue 460 thousand restricted shares to employees without consideration, with a par value of NT$10 per share. The capital increase record date was April 29, 2026, with a total amount of NT$4,600 thousand.

C. Another subsidiary of the Group, Alcor, resolved at the Board of Directors meeting on May 8, 2026, to proceed with a cash capital increase through issuance of new shares, the issuance of the first domestic secured convertible bonds, and the issuance of restricted shares to employees. The relevant issuance terms are subject to approval by the competent authority. As of the issuance date of the financial statements, the issuance has not yet been completed.

D. The employee stock options of AlgolTek, a subsidiary of Alcor, for the year 2025 became effective upon filing with the Regulator authority on April 28, 2026.The total number of units issued is 2,000 units, with each unit entitling the holder to subscribe for 1,000 ordinary shares of AlgolTek. The options will be issued in tranches in accordance with the issuance plan, and it is expected that 1,000 thousand ordinary shares will be issued in total. The subscription price shall be based on the closing price of AlgolTek's ordinary shares on the respective issuance dates.

12. Others

(1) Capital management

The Group plans the fund requirements for future operating capital, research and development expenses, repayment of debt and dividends distribution based on the Group's characteristics of current operating industry and the Group's future development, taking into account changes in the external environment so as to safeguard the Group's ability to continue as a going concern, provide returns for shareholders as well as the benefit of other related parties and maintain an optimal capital structure to enhance shareholders' value in the long-term.

(2) Financial instruments

A. Financial instruments by category

Refer to the consolidated balance sheets and Note 6 for the amount and information in relation to the Group's financial assets (financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, cash and cash equivalents, financial assets at amortised cost, accounts receivable (including related parties), other receivables (including related parties) and guarantee deposits paid) and financial liabilities (short-term borrowings, accounts payable, long-term borrowings (including current portion), other payables (including related parties), refund liabilities, guarantee deposits received and lease liabilities).

B. Financial risk management policies

There was no significant change in the reporting period. Refer to Note 12 in the consolidated financial statements for the year ended December 31, 2025.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

The Group's businesses involve some non-functional currency operations (the Company's functional currency: NTD; the subsidiaries' functional currency: NTD, RMB, KRW and USD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	March 31, 2026				
				Sensitivity analysis	
	Foreign currency (in thousands)	Exchange rate	Book value (NT$)	Degree of variation	Effect on profit or loss
Financial assets					
Monetary items					
USD:NTD	$ 59,905	32.00	$ 1,916,968	1%	$ 19,170
RMB:NTD	719	4.63	3,329	1%	33
JPY:NTD	110,440	0.20	22,088	1%	221
Non-monetary items					
USD:NTD	12,845	32.00	411,047		
SEK:NTD	6,759	3.42	23,116		
Effect from net assets of consolidated entities measured at foreign currency					
USD:NTD	2,385	32.00	76,322		
RMB:NTD	5,768	4.63	26,706		
JPY:NTD	34,365	0.20	6,873		
KRW:NTD	491,950	0.02	9,039		
Financial liabilities					
Monetary items					
USD:NTD	23,127	32.00	740,062	1%	7,401
RMB:NTD	10,245	4.63	47,434	1%	474
JPY:NTD	12,928	0.20	2,586	1%	26

	December 31, 2025				
				Sensitivity analysis	
	Foreign currency (in thousands)	Exchange rate	Book value (NT$)	Degree of variation	Effect on profit or loss
Financial assets					
Monetary items					
USD:NTD	$ 42,292	31.43	$ 1,329,237	1%	$ 13,292
RMB:NTD	299	4.50	1,348	1%	14
JPY:NTD	110,440	0.20	22,088	1%	221
Non-monetary items					
USD:NTD	13,105	31.43	411,896		
SEK:NTD	9,018	3.42	30,840		

	December 31, 2025				
				Sensitivity analysis	
	Foreign currency (in thousands)	Exchange rate	Book value (NT$)	Degree of variation	Effect on profit or loss
Effect from net assets of consolidated entities measured at foreign currency					
USD:NTD	1,770	31.43	55,645		
RMB:NTD	5,189	4.50	23,352		
JPY:NTD	35,435	0.20	7,087		
KRW:NTD	389,000	0.02	7,780		
Financial liabilities					
Monetary items					
USD:NTD	14,170	31.43	445,379	1%	4,454
RMB:NTD	6,266	4.50	28,197	1%	282
JPY:NTD	12,928	0.20	2,586	1%	26

	March 31, 2025				
				Sensitivity analysis	
	Foreign currency (in thousands)	Exchange rate	Book value (NT$)	Degree of variation	Effect on profit or loss
Financial assets					
Monetary items					
USD:NTD	$ 59,489	33.21	$ 1,975,630	1%	$ 19,756
RMB:NTD	194	4.57	887	1%	9
JPY:NTD	104,558	0.22	23,285	1%	233
Non-monetary items					
USD:NTD	21,077	33.21	699,973		
SEK:NTD	16,915	3.10	52,354		
Effect from net assets of consolidated entities measured at foreign currency					
USD:NTD	1,766	33.21	58,649		
RMB:NTD	4,561	4.57	20,843		
KRW:NTD	475,400	0.02	9,508		
Financial liabilities					
Monetary items					
USD:NTD	35,588	33.21	1,181,877	1%	11,819

The total exchange gains (losses), including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three-month ended March 31, 2026 and 2025, amounted to $4,279 and $10,435, respectively.

Price risk

i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Group's investments in equity securities comprise open-end funds. The prices of equity securities would change due to the change of the future value of investee companies. Additionally, the unlisted equity securities and convertible bonds were held for strategic investment, thus the Company did not actively transact such investments. If the prices of these equity securities had increased/decreased by 5% with all other variables held constant, post-tax profit for the three months ended March 31, 2026 and 2025 would have increased/decreased by $20,023 and $15,800, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $72,224 and $88,375 respectively, as a result of other comprehensive income on equity investments classified as at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. On March 31, 2026 and 2025, the Group's borrowings at variable rate were mainly denominated in New Taiwan Dollars and US Dollars.

ii. The Group's borrowings are measured at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

iii. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, loss, net of tax for the three months ended March 31, 2026 and 2025 would have increased/decreased by $3,558 and $11,219, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortised cost, at fair value through profit or loss and at fair value through other comprehensive income.

ii. The Group manages its credit risk taking into consideration the entire group's concern. For banks and financial institutions, only independently rated parties with a certain grade are accepted. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. The Group adopts the following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

(i) If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
(ii) If any external credit rating agency rates these bonds as investment grade, the credit risk of these financial assets is low.

iv. If the credit rating grade of an investment target degrades two scales, there has been a significant increase in credit risk on that instrument since initial recognition.

v. The default occurs when the contract payments are past due over 90 days.

vi. The Group classifies customer's accounts receivable in consideration of credit risk on trade. The Group applies the simplified approach using a provision matrix to estimate the expected credit loss.

vii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;
(ii) The disappearance of an active market for that financial asset because of financial difficulties;
(iii) Default or delinquency in interest or principal repayments;
(iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

viii. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.

ix. The Group used the forward-looking information to adjust historical and timely information to assess the default possibility of accounts receivable, which was insignificant as of March 31, 2026 and 2025.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group’s liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group’s covenant compliance and compliance with internal balance sheet ratio targets.

ii. The table below analyses the Group’s non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non- derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

	March 31, 2026	
	Less than a year	Over a year
Non-derivative financial liabilities:		
Short-term borrowings	$ 1,040,693	$ -
Accounts payable	301,533	-
Other payables (including related parties)	848,387	-
Lease liabilities	85,698	127,873
Long-term borrowings (including current portion)	349,188	45,528
Bonds payable	-	300,000

	December 31, 2025	
	Less than a year	Over a year
Non-derivative financial liabilities:		
Short-term borrowings	$ 1,120,366	$ -
Accounts payable	266,089	-
Other payables (including related parties)	798,854	-
Lease liabilities	69,358	98,283
Long-term borrowings (including current portion)	349,873	68,354
Bonds payable	-	300,000

	March 31, 2025	
	Less than a year	Over a year
Non-derivative financial liabilities:		
Short-term borrowings	$ 1,671,992	$ -
Accounts payable	182,091	-
Other payables (including related parties)	1,678,159	-
Lease liabilities	81,405	152,647
Long-term borrowings (including current portion)	649,402	2,427,477
Other non-current liabilities	-	228,817
Bonds payable	-	300,000

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in certain beneficiary certificates, hybrid instrument and certain financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in convertible bonds is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in certain beneficiary certificates, rights under the investment agreement, certain financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income is included in Level 3.

B. Financial instruments not measured at fair value:

The carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, financial assets at amortised cost, accounts receivable (including related parties), other receivables (including related parties), guarantee deposits paid, accounts payable, short-term borrowings, other payables (including related parties), lease liabilities, long- term borrowings (including current portion) and guarantee deposits received) are approximate to their fair values.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities are as follows:

	March 31, 2026			
	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Beneficiary certificates	$ 249,242	$ -	$ 261,861	$ 511,103
Equity instruments	53,406	-	347,052	400,458
Rights under the investment agreement	-	-	19,197	19,197
Financial assets at fair value through other comprehensive income				
Equity instruments	709,793	-	734,694	1,444,487
Debt instruments	30,081	-	-	30,081
	$ 1,042,522	$ -	$ 1,362,804	$ 2,405,326

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Beneficiary certificates	$ 289,418	$ -	$ 235,998	$ 525,416
Equity instruments	147,615	-	359,829	507,444
Financial assets at fair value through other comprehensive income				
Equity instruments	932,834	-	736,045	1,668,879
Debt instruments	33,120	-	-	33,120
	$ 1,402,987	$ -	$ 1,331,872	$ 2,734,859

	March 31, 2025			
	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Beneficiary certificates	$ 223,124	$ -	$ 212,311	$ 435,435
Equity instruments	126,455	-	189,549	316,004
Convertible bonds	7,700	-	-	7,700
Financial assets at fair value through other comprehensive income				
Equity instruments	872,860	-	894,631	1,767,491
Debt instruments	33,962	-	-	33,962
	$ 1,264,101	$ -	$ 1,296,491	$ 2,560,592

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

(a) The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Stocks	Closed-end fund	Open-end fund	Corporate bond
Market quoted price	Closing price	Closing price	Net asset value	Ex-dividend quoted price

(b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by reference to counterparty quotes.

(c) If one or more of the significant inputs are not obtained based on observable market data, the financial instruments are included in level 3.

E. The fair value of the Group's principal guaranteed notes and bank debentures is included in Level 2.

F. For the Three months ended March 31, 2026 and 2025, there was no transfer between Level 1 and Level 2.

G. The following chart is the movement of Level 3 for the Three months ended March 31, 2026 and 2025:

	2026	2025
At January 1	$ 1,331,872	$ 1,355,331
Loss recognised in profit or loss	43,213	(4,472)
Loss recognised in other comprehensive income	(1,351)	(69,061)
Acquired during the period	38,758	3,713
Disposed during the period	(50,000)	-
Transferred to level 3	-	10,980
Effect of exchange rate changes	312	-
At March 31	$ 1,362,804	$ 1,296,491

H. Treasury segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

I. The following is the quantitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at March 31, 2026	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted stocks	$612,712	Market comparable companies	Price to book ratio multiple	2.31~ 18.36%	The higher the multiple and control premium, the higher the fair value.
		Discounted cash flow	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value.
〃	6,924	Market comparable companies	Enterprise value to revenue ratio multiple	79%	The higher the multiple, the higher the fair value.
		Discounted cash flow	Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value.
〃	103,990	Most recent non-active market price	Not applicable	Not applicable	Not applicable
〃	88,519	Discounted cash flow	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value.
			Discount for lack of control	34.60%	The higher the discount for lack of control, the lower the fair value.
Venture capital shares	269,601	Net asset value	Net asset value	Not applicable	The higher the net asset value, the higher the fair value.
Beneficiary Certificate	261,861	Net asset value	Net asset value	Not applicable	The higher the net asset value, the higher the fair value.
Rights under the investment agreement	19,197			Note	

Note: This item represents funds invested pursuant to a strategic cooperation agreement. As the contract includes explicit refund provisions, the Group is entitled to request the return of a portion of the invested funds if the project fails to achieve the agreed milestones and timeline. Given that the project remains at an early stage and is supported by the aforementioned contractual safeguards, the Group has assessed that the fair value can be reasonably estimated at its carrying amount; accordingly, the investment is measured using the cost method.

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted stocks	$ 526,342	Market comparable companies	Price to book ratio multiple	2.94~18.51%	The higher the multiple and control premium, the higher the fair value.
		Discounted cash flow	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value.
〃	9,120	Market comparable companies	Enterprise value to revenue ratio multiple	79%	The higher the multiple, the higher the fair value.
		Discounted cash flow	Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value.
〃	199,813	Most recent non-active market price	Not applicable	Not applicable	Not applicable
	86,955	Discounted cash flow	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value.
			Discount for lack of control	34.60%	The higher the discount for lack of control, the lower the fair value.
Venture capital stocks	273,644	Net asset value	Net asset value	Not applicable	The higher the net asset value, the higher the fair value.
Beneficiary Certificate	235,998	Net asset value	Net asset value	Not applicable	The higher the net asset value, the higher the fair value.

	Fair value at March 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted stocks	$ 464,522	Market comparable companies	Price to book ratio multiple	1.94~16.52%	The higher the multiple and control premium, the higher the fair value.
〃	10,980	Market comparable companies	Enterprise value to revenue ratio multiple	0.79	The higher the multiple, the higher the fair value.
		Discounted cash flow	Discount for lack of marketability	20%	The higher the discount for lack of control, the lower the fair value.
〃	171,454	Most recent non-active market price	Not applicable	Not applicable	Not applicable
	91,331	Discounted cash flow	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value.

	Fair value at March 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
			Discount for lack of control	34.60%	The higher the discount for lack of control, the lower the fair value.
Venture capital stocks	345,893	Net asset value	Net asset value	Not applicable	The higher the net asset value, the higher the fair value.
Beneficiary Certificate	212,311	Net asset value	Net asset value	Not applicable	The higher the net asset value, the higher the fair value.

J. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

			March 31, 2026			
			Recognised in profit or loss		Recognised in other comprehensive income (loss)	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Price to book ratio multiple	±1%	$ 2,831	$ (2,831)	$ 2,487	$ (2,487)
Equity instrument	Discount for lack of marketability	±1%	-	-	449	(269)
Equity instrument	Discount for lack of control	±1%	-	-	559	(378)

			December 31, 2025			
			Recognised in profit or loss		Recognised in other comprehensive income (loss)	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Price to book ratio multiple	±1%	$ 2,746	$ (2,746)	$ 2,353	$ (2,353)
Equity instrument	Discount for lack of marketability	±1%	-	-	441	(264)
Equity instrument	Discount for lack of control	±1%	-	-	549	(372)

			March 31, 2025			
			Recognised in profit or loss		Recognised in other comprehensive income (loss)	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Price to book ratio multiple	±1%	$ 1,895	$ (1,895)	$ 2,750	$ (2,750)
Equity instrument	Discount for lack of marketability	±1%		-	330	(452)
Equity instrument	Discount for lack of control	±1%	-	-	422	(544)

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: None.
B. Provision of endorsements and guarantees to others: None.
C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to Table 1.
D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: None.
E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: None.
F. Significant inter-company transactions during the reporting period: None.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to Table 2.

(3) Information on investments in Mainland China

A. Basic information: Refer to Table 3.
B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

14. Segment Information

(1) General information

The Group has two reportable operating segments: Egis and its subsidiaries are primarily engaged in the research, development, design, sales of biometric application software and hardware and intellectual property licensing of silicon ; and Alcor and its subsidiaries are primarily engaged in the research, development, design and sales of USB control chip and automotive sensor chip, wearable electroacoustic products, multimedia video converter control chip and intelligent power control chip. The chief operating decision-maker of the Group uses overall operating results as the basis of performance assessment and identified that the Group has two reportable operating segments.

Three months ended March 31, 2026	Egis and its subsidiaries	Alcor and its subsidiaries	Total
Total segment revenue	$ 569,871	$ 1,700,908	$ 2,270,779
Segment loss	$ (343,653)	$ (8,906)	$ (352,559)

Three months ended March 31, 2025	Egis and its subsidiaries	Alcor and its subsidiaries	Total
Total segment revenue	$ 695,828	$ 376,516	$ 1,072,344
Segment loss	$ (511,375)	$ 83,297	$ (428,078)

(2) Measurement of segment information

A. Segment income (loss) of the Group is measured using the pre-tax operating margin and is used as a basis for performance assessment. The accounting policies and accounting estimates of operating segment are in agreement with the summary of significant accounting policies and the critical accounting estimates and assumptions described in Notes 4 and 5.

B. The external revenue (excluding revenue from transactions of other operating segments in the entities), profit or loss, and financial information reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income.

C. The amounts provided to the chief operating decision maker with respect to total assets and liabilities are measured in a manner consistent with that of the financial statements.

EGIS TECHNOLOGY INC. AND SUBSIDIARIES
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
March 31, 2026

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Name of securities	Relationship with the securities issuer	General ledger account	As of March 31, 2026				Footnote
					No. of shares	Book value	Ownership (%)	Fair value	
EGIS TECHNOLOGY INC.	Stock	Gingy Technology Inc.	None	Note 4	33	$ -	0.26%	$ -	
〃	〃	Integrated Digital Technologies, Inc.	〃	〃	4,000	-	13.96%	-	
〃	〃	AIStorm, Inc.	〃	〃	5,211	89,272	19.45%	89,272	
〃	〃	MEMS DRIVE INC.	〃	〃	188	-	2.87%	-	
〃	〃	Astrogate Inc.	〃	〃	1,000	2,653	12.24%	2,653	
〃	〃	Calumino Pty Ltd.	〃	〃	1,011	1,998	0.29%	1,998	
〃	〃	Gallopwave Inc.	〃	〃	3,125	8,389	4.06%	8,389	
〃	〃	xMEMS Labs, Inc.,	〃	〃	1,003	13,630	0.67%	13,630	
〃	〃	Attopsemi Technology Co., Ltd.	〃	〃	675	96,294	4.38%	96,294	
〃	〃	CyteSi, Inc.,	〃	〃	163	1,086	1.16%	1,086	
〃	〃	Silicon Optronics, Inc.	〃	〃	12,319	681,263	15.90%	681,263	
〃	〃	BE Epitaxy Semiconductor Technology Co., Ltd.	〃	Note 2	821	105,037	3.26%	105,037	
〃	Beneficiary certificates	Dian-Te Gas Investment LP	〃	〃	-	56,925	67.32%	56,925	
〃	Stock	JET Optoelectronics Co., Ltd.	〃	〃	2,871	51,768	4.71%	51,768	
〃	〃	Precise Biometrics AB	〃	Note 4	3,921	23,116	5.00%	23,116	
〃	Funds	Vertex Growth (SG) LP	〃	Note 2	-	36,765	-	36,765	
〃	〃	Vertex Growth II (SG) LP	〃	〃	-	50,961	-	50,961	
〃	〃	Vertex Venture (SG) SEA IV LP	〃	〃	-	9,614	-	9,614	
〃	Beneficiary certificates	JAFCO Taiwan II Venture Capital Limited Partnership	〃	〃	-	6,737	-	6,737	
〃	Stock	Sirius Wireless Inc.	〃	〃	2,528	22,070	10.11%	22,070	
〃	〃	Gear Radio Limited. preferred stock	Other related party	Note 4	1,733	27,563	3.69%	27,563	
〃	〃	Metanoia Communications Inc.	None	〃	1,875	5,107	1.34%	5,107	
〃	Beneficiary certificates	Megawood Capital	〃	Note 2	-	12,240	7.46%	12,240	
〃	Stock	Linkou Leisure Industry Co., Ltd.	〃	〃	-	16,100	0.10%	16,100	
〃	〃	PIMIC INC.	〃	Note 4	821	-	4.65%	-	
〃	〃	Best Epitaxy Manufacturing Company Ltd.	〃	Note 2	3,219	139,855	2.39%	139,855	
〃	〃	CREATIVE5 INC.	〃	Note 4	323	2,700	4.35%	2,700	

EGIS TECHNOLOGY INC. AND SUBSIDIARIES
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
March 31, 2026

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Name of securities	Relationship with the securities issuer	General ledger account	As of March 31, 2026				Footnote
					No. of shares	Book value	Ownership (%)	Fair value	
Alcor Micro, Corp.	Funds	PGIM Money Market Fund	None	Note 1	303	$ 5,088	-	$ 5,088	
〃	〃	Nomura Taiwan Money Market	〃	〃	292	5,042	-	5,042	
〃	Stock	Shin Kong Financial Holding Co.,Ltd. Preferred Shares A	〃	Note 3	130	5,414	0.17%	5,414	
〃	〃	HUA VI VENTURE CAPITAL	〃	Note 4	11	1,367	2.11%	1,367	
〃	〃	WK Venture Capital XI	〃	〃	7,678	195,542	15.38%	195,542	
〃	〃	WK Technology Fund IX II Ltd.	〃	〃	5,000	54,659	4.45%	54,659	
〃	〃	Sirius Wireless Inc.	〃	〃	742	7,305	2.97%	7,305	
〃	〃	Foxfortune Technology II Ventures Limited	〃	〃	499	18,033	5.80%	18,033	
〃	〃	Koodata Inc. Common Stock	〃	〃	2,375	12,006	3.00%	12,006	
〃	〃	Koodata Inc. Preferred Stock	〃	〃	10,088	76,513	12.71%	76,513	
〃	〃	Helios Bioelectronics Inc.	〃	〃	14,300	-	10.49%	-	
〃	〃	Xinpal Pte Ltd.	〃	〃	4,000	12,798	3.20%	12,798	
〃	Bonds	AT&T Inc.	〃	Note 3	-	2,226	-	2,226	
〃	Beneficiary certificates	Fuyou Venture Capital Co., Ltd	〃	Note 2	-	56,717	-	56,717	
Syncomm Technology Corp.	Funds	Fubon Money Market Fund	〃	Note 1	1,336	21,066	-	21,066	
〃	〃	Taishin Ta Chong Money Market Fund	〃	〃	690	10,414	-	10,414	
〃	〃	Mega Diamond Money Market Fund	〃	〃	801	10,669	-	10,669	
〃	〃	PGIM Money Market Fund	〃	〃	2,294	38,528	-	38,528	
〃	Stock	Gear Radio Limited. ordinary stock	Other related party	Note 4	973	6,045	2.07%	6,045	
〃	〃	Gear Radio Limited. preferred stock	〃	〃	2,027	31,671	4.32%	31,671	
AlgolTek, Inc.	Funds	Fuh Hwa Fund	None	Note 1	2,487	31,902	-	31,902	
〃	Stock	Terawins, Inc.	〃	Note 4	1,168	6,924	9.88%	6,924	
〃	〃	Skymizer Taiwan Inc.	〃	〃	66	23,139	1.46%	23,139	
ENE Technology Inc.	Funds	Fubon Money Market Fund	〃	Note 1	3,832	60,423	-	60,423	
〃	〃	Taishin 1699 Money Market	〃	〃	1,388	20,021	-	20,021	
〃	Stock	Aeroprobing Inc.	〃	Note 4	1,000	40,000	14.69%	40,000	
Chun-Feng Investment Limited	Funds	PGIM Money Market Fund	〃	Note 1	12	202	-	202	
〃	〃	PGIM US Investment Grade Corporate Bond Fund	〃	〃	1,514	15,124	-	15,124	
〃	〃	PGIM USD High Yield Bond Fund	〃	〃	2,382	26,326	-	26,326	
〃	〃	Eastspring Investments Optimal Income Fund of Funds	〃	〃	893	12,952	-	12,952	
〃	〃	PGIM Aggressive Growth ETF Fund of Funds	〃	〃	732	13,227	-	13,227	
〃	〃	Eastspring Investments Global Intelligent Data Dividend Funds	〃	〃	450	4,865	-	4,865	
〃	〃	PGIM Global Multinational Blue Chip 100 ETF	〃	〃	300	5,295	-	5,295	
Alcor Micro Technology, Inc.	Stock	NGD Systems Inc.	〃	Note 4	8,705	-	3.45%	-	
Alcor Micro Technology,(H.K.) Limited	Stock	Palantir Technologies Inc.(PLTR)	〃	Note 1	-	1,638	-	1,638	
〃	Bonds	HP Inc.	〃	Note 3	-	2,440	-	2,440	
〃	〃	Power Finance Corp. Ltd.	〃	〃	-	6,268	-	6,268	
〃	〃	TSMC Arizona Corp.	〃	〃	-	6,309	-	6,309	
〃	〃	Macquarie Bank Ltd.	〃	〃	-	6,006	-	6,006	
〃	〃	HSBC Holdings PLC	〃	〃	-	6,832	-	6,832	
InPsytech, Inc.	Stock	PRIMEMAS INC.	〃	Note 2	201	63,990	0.65%	63,990	

Note 1: Current financial assets at fair value through profit or loss.
Note 2: Non-current financial assets at fair value through profit or loss.
Note 3: Current financial assets at fair value through other comprehensive income.
Note 4: Non-current financial assets at fair value through other comprehensive income.

EGIS TECHNOLOGY INC. AND SUBSIDIARIES

Information on investees

For the three-month period ended March 31, 2026

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2026			Net income (loss) of investee for the three months ended March 31, 2026	Investment income (loss) recognised by the Company for the three months ended March 31, 2026	Footnote
				Balance as at March 31, 2026	Balance as at December 31, 2025	No. of shares	Ownership (%)	Book value			
The Company	Egis Technology (Japan) Inc.	Japan	Customer service, business promotion and technical service	$ 115,404	$ 109,279	8,880,000	100.00%	$ 6,872	$ (205)	$ (205)	
〃	Egis Technology Korea Inc.	Korea	Customer service, business promotion and technical service	4,330	4,330	4,750	100.00%	9,039	1,623	1,623	
〃	OceanX Inc.	Taiwan	Holding company	1,880	1,880	167,000	100.00%	2,164	4	4	
〃	Luxsentek Microelectronics Corp.	Taiwan	Technology development	140,000	140,000	14,000,000	86.93%	4,008	74	65	
〃	Alcor Micro, Corp.	Taiwan	Electronic materials wholesale, design and development of IC and international trade	824,928	824,928	21,310,310	20.15%	576,795	(7,745)	(2,432)	
〃	VASUBI Technology Inc.	Taiwan	Technology development	40,000	40,000	4,000,000	100.00%	(25,018)	(6,932)	(6,932)	
〃	NUI Technology Inc.	Taiwan	Technology development	70,000	90,000	239,054	100.00%	1,209	(287)	(287)	
〃	Taurus Wireless Inc.	Taiwan	Technology development	76,000	76,000	7,600,000	84.76%	1,414	(1,882)	(1,595)	
〃	Transducer Star Technology Inc.	Taiwan	Technology development	48,900	48,900	4,480,000	74.01%	10,440	(1,965)	(2,034)	
〃	iCatch Technology Inc.	Taiwan	Technology development	1,189,600	1,189,600	18,000,000	18.66%	787,291	(65,017)	(30,773)	
〃	SCT Holdings Ltd.	Cayman Islands	Design, development and sales of IC	467,680	467,680	8,546,402	24.45%	-	(21,955)	-	
〃	Tempo Vision Inc.	Taiwan	Technology development	25,000	25,000	2,500,000	26.32%	42,920	(24,366)	(6,933)	
〃	InPsytech, Inc.	Taiwan	Semiconductor Intellectual property core	4,014,861	4,014,861	18,854,977	62.77%	3,848,714	32,269	(27,161)	
〃	Kiwi Technology Inc.	Taiwan	Design, development and sales of IC and product development solutions	67,691	67,691	5,997,217	12.28%	201,874	(46,728)	(6,002)	
〃	XinPal Semi Sdn.Bhd.	Malaysia	Design, development and sales of IC	22,057	-	7,001	70.00%	20,677	(1,920)	(1,344)	
Kiwi Technology Inc.	Egis Vision Inc.	Taiwan	Design, development and sales of IC	1,475,399	1,475,399	20,000,000	100.00%	(35,557)	(24,813)		Note 4
〃	Kiwi Technology Inc.	Japan	Product Technical Support Services	22,671	22,671	1,599	100.00%	(9,776)	(182)		Note 4
Alcor Micro, Corp.	Alcor Micro Technology, Inc. (AMTI)	Cayman Islands	Investment holding company	932,166	932,166	30,613,000	100.00%	55,646	(312)		Note 4
〃	AlgolTek, Inc.	Taiwan	Development, design and sales of IC	332,996	332,996	14,040,710	31.51%	492,106	877		Note 4
〃	Syncomm Technology Corp.	Taiwan	Development, design and sales of IC	197,097	197,097	10,887,288	24.53%	162,051	(714)		Note 4
〃	Chun-Feng Investment Limited	Taiwan	General investment business	90,000	90,000	9,000,000	100.00%	105,812	377		Note 4
〃	ENE Technology Inc.	Taiwan	Development, design and sales of IC	252,800	252,800	8,000,000	17.67%	245,573	(1,497)		Note 4
〃	Kiwi Technology Inc.	Taiwan	Design, development and sales of IC and product development solutions	7,500	7,500	667,000	1.37%	7,577	(46,728)		Note 4
Syncomm Technology Corp.	Transducer Star Technology Inc.	Taiwan	Technology development	25,000	25,000	1,000,000	16.52%	790	(1,965)		Note 4
〃	Taurus Wireless Inc.	Taiwan	Technology development	15,037	15,037	1,367,000	15.24%	-	(1,882)		Note 4
Chun-Feng Investment Limited	AlgolTek, Inc.	Taiwan	Development, design and sales of IC	5,814	5,814	353	0.00%	1,431	877		Note 4
〃	Syncomm Technology Corp.	Taiwan	Development, design and sales of IC	30,878	30,878	2,117,159	4.77%	27,924	(714)		Note 4
Alcor Micro Technology, Inc.(AMTI)	Alcor Micro Technology, (H.K.) Limited (AMTHK)	Hong Kong	Management and sales of electronic products	633,056	633,056	20,790,000	100.00%	48,117	(372)		Note 4
ENE Technology Inc.	Hsuan Yuan Technology CO., LTD.	Taiwan	Design, manufacturing, and sale of UAVs, as well as system technology integration	90,000	22,760	2,000,000	21.98%	98,834	(11,109)		Note 5
AlgolTek, Inc.	Joint Power Exponent, LTD.	Taiwan	Design, development and sales of IC	113,230	113,230	19,883,759	50.25%	9,656	498		Note 4
〃	Kiwi Technology Inc.	Taiwan	Design, development and sales of IC and product development solutions	37,810	37,810	5,043,854	10.33%	28,623	(46,728)		Note 4
〃	Appro Photoelectron Inc.	Taiwan	Design, manufacturing, and sale of various imaging-related products	198,000	198,000	6,600,000	20.32%	205,090	12,032		

Note 1: The accounts of the Company are expressed in New Taiwan dollars. Income statement accounts denominated in foreign currencies are translated into New Taiwan dollars at the weighted average exchange rates prevailing at the transaction period and balance sheet accounts at spot exchange rates prevailing at the balance sheet date.

Note 2: The transactions were eliminated when preparing the consolidated financial statements.

Note 3: The financial statements of SCT, Terawins, Joint Power Exponent and Hsuan Yuan were not reviewed by independent auditors.

Note 4: The invested company is a subsidiary within the consolidated entity.

Note 5: In February 2026, ENE Technology Inc. participated in the capital increase of Hsuan Yuan Technology CO., LTD., subscribing for new shares with a cash consideration of NT$50,000 thousand and acquiring a 10.99% equity interest. Together with the previously held 10.99% equity interest, the total shareholding increased to 21.98%. As the Company has significant influence over the investee, the investment is accounted for using the equity method.

EGIS TECHNOLOGY INC. AND SUBSIDIARIES
Information on investments in Mainland China
For the three-month period ended March 31, 2026

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2026	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the three months ended March 31, 2026		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2026	Net income of investee for the three months ended March 31, 2026	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2026	Book value of investments in Mainland China as of March 31, 2026	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2026	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Egis Intelligent (Shanghai) Co., Ltd.	Customer service, business promotion and technical service	$ 55,521	Note 1	$ 63,990	$ -	$ -	$ 63,990	$ 2,630	100%	$ 2,630	$ 26,707	$ -	Note 2

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2026	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA	Footnote
Egis Technology Inc.	$63,990	$63,990	$7,869,655	Note 4

Note 1: Direct investment in Mainland China.
Note 2: The above investment income (loss) was recognised based on the financial statements that were not reviewed by independent auditors.
Note 3: The accounts of the Company are presented in New Taiwan dollars. Income statement accounts denominated in foreign currencies are translated into New Taiwan dollars at the weighted-average exchange rates prevailing at the transaction period, and balance sheet accounts are translated at the spot exchange rates prevailing at the balance sheet date.
Note 4: The investment limit for investments in Mainland China is calculated based on the higher of the company's net value or the consolidated net value.