

**ELITE SEMICONDUCTOR
MICROELECTRONICS TECHNOLOGY INC.
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2026 AND 2025**

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Elite Semiconductor Microelectronics Technology Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of Elite Semiconductor Microelectronics Technology Inc. and its subsidiaries (the “Group”) as at March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three- month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of 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” that came into effect as endorsed by the Financial Supervisory Commission. 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* paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, “Review of Financial Information Performed by the Independent Auditor of the Entity” of the Republic of China. A review of 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) and 6(6), the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using the equity method were not reviewed by independent auditors. Total assets of these subsidiaries (including the balance of investments accounted for using equity method) amounted to NT\$933,565 thousand and NT\$958,871 thousand, constituting 4.7% and 5.5% of the consolidated total assets as at March 31, 2026 and 2025, respectively, and total liabilities of these subsidiaries amounted to NT\$172,642 thousand and NT\$255,255 thousand, constituting 2.4% and 3.4% of the consolidated total liabilities as at March 31, 2026 and 2025, respectively, and the total comprehensive income (loss) (including share of profit/loss and other comprehensive income/loss of associates and joint ventures accounted for using equity method) amounted to (NT\$18,528) thousand and (NT\$16,066) thousand, constituting (0.9%) and 19.6% of the consolidated total comprehensive income (loss) for the three-month periods then ended, respectively.

Qualified Conclusion

Based on our reviews, except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using equity method been reviewed by independent auditors as described in the *Basis for Qualified Conclusion* paragraph above, 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 at March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Shu-Chien Pai

Liu, Chien-Yu

For and on behalf of PricewaterhouseCoopers, Taiwan

April 30, 2026

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

ELITE SEMICONDUCTOR MICROELECTRONICS TECHNOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	March 31, 2026		December 31, 2025		March 31, 2025	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 7,031,281	35	\$ 4,526,863	27	\$ 4,078,479	23
1110	Financial assets at fair value	6(2)						
	through profit or loss - current		6,165	-	7,396	-	2,604	-
1150	Notes receivable, net		370	-	-	-	44	-
1170	Accounts receivable, net	6(4)	3,220,088	16	2,211,845	13	1,462,635	8
1200	Other receivables		111,125	1	94,749	1	96,137	1
1220	Current income tax assets		19,735	-	20,979	-	25,630	-
130X	Inventories	6(5)	6,991,366	35	7,081,820	42	8,339,932	48
1410	Prepayments		204,618	1	349,596	2	898,825	5
1470	Other current assets		1,079	-	354	-	714	-
11XX	Total current assets		<u>17,585,827</u>	<u>88</u>	<u>14,293,602</u>	<u>85</u>	<u>14,905,000</u>	<u>85</u>
Non-current assets								
1517	Financial assets at fair value	6(3)						
	through other comprehensive							
	income - non-current		30,892	-	28,170	-	58,788	-
1550	Investments accounted for	6(6)						
	using equity method		145,453	1	145,522	1	154,415	1
1600	Property, plant and equipment	6(7) and 8	1,979,689	10	1,859,811	11	1,813,002	10
1755	Right-of-use assets	6(8)	103,153	-	109,835	1	102,836	1
1760	Investment property, net	6(9)	12,609	-	12,852	-	13,579	-
1780	Intangible assets	6(10)	75,977	-	57,904	-	120,918	1
1840	Deferred income tax assets		34,406	-	94,755	1	123,734	1
1900	Other non-current assets	6(11) and 8	105,761	1	194,501	1	249,585	1
15XX	Total non-current assets		<u>2,487,940</u>	<u>12</u>	<u>2,503,350</u>	<u>15</u>	<u>2,636,857</u>	<u>15</u>
1XXX	Total assets		<u>\$ 20,073,767</u>	<u>100</u>	<u>\$ 16,796,952</u>	<u>100</u>	<u>\$ 17,541,857</u>	<u>100</u>

(Continued)

ELITE SEMICONDUCTOR MICROELECTRONICS TECHNOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	March 31, 2026		December 31, 2025		March 31, 2025	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(12)	\$ 1,000,000	5	\$ 1,270,000	8	\$ 1,700,000	10
2110	Short-term notes and bills payable		-	-	-	-	99,948	1
2130	Contract liabilities - current	6(20)	95,990	-	21,323	-	15,737	-
2150	Notes payable		741	-	2,545	-	-	-
2170	Accounts payable		2,936,561	15	2,342,220	14	2,315,776	13
2200	Other payables	6(14)	1,253,980	6	600,806	4	925,766	5
2230	Current income tax liabilities		221,173	1	1,753	-	2,469	-
2280	Lease liabilities - current		23,653	-	25,036	-	24,452	-
2320	Long-term liabilities, current portion	6(13)(15)	317,129	2	1,267,795	7	244,604	1
2399	Other current liabilities, others		10,380	-	10,174	-	9,902	-
21XX	Total current liabilities		<u>5,859,607</u>	<u>29</u>	<u>5,541,652</u>	<u>33</u>	<u>5,338,654</u>	<u>30</u>
	Non-current liabilities							
2530	Bonds payable	6(13)	-	-	-	-	967,677	6
2540	Long-term borrowings	6(15)	693,679	4	764,883	5	978,496	6
2550	Non-current provisions		29,147	-	29,095	-	23,245	-
2570	Deferred income tax liabilities		29,058	-	21,981	-	26,795	-
2580	Lease liabilities - non-current		81,273	1	86,473	-	79,747	-
2600	Other non-current liabilities		476,391	2	189,332	1	194,526	1
25XX	Total non-current liabilities		<u>1,309,548</u>	<u>7</u>	<u>1,091,764</u>	<u>6</u>	<u>2,270,486</u>	<u>13</u>
2XXX	Total liabilities		<u>7,169,155</u>	<u>36</u>	<u>6,633,416</u>	<u>39</u>	<u>7,609,140</u>	<u>43</u>
	Equity attributable to owners of parent							
	Share capital	6(17)						
3110	Common stock		2,977,415	15	2,861,722	17	2,861,722	16
	Capital surplus	6(18)						
3200	Capital surplus		1,354,426	7	510,673	2	509,813	3
	Retained earnings	6(19)						
3310	Legal reserve		2,169,006	11	2,169,006	13	2,118,375	12
3320	Special reserve		27,777	-	27,777	-	36,380	-
3350	Unappropriated retained earnings		6,657,214	33	4,950,226	30	4,671,094	27
	Other equity interest							
3400	Other equity interest		(3,181)	-	(69,220)	-	(33,574)	-
3500	Treasury shares	6(17)	(163,122)	(1)	(163,122)	(1)	(140,061)	(1)
31XX	Total equity attributable to owners of the parent		<u>13,019,535</u>	<u>65</u>	<u>10,287,062</u>	<u>61</u>	<u>10,023,749</u>	<u>57</u>
36XX	Non-controlling interests		<u>(114,923)</u>	<u>(1)</u>	<u>(123,526)</u>	<u>-</u>	<u>(91,032)</u>	<u>-</u>
3XXX	Total equity		<u>12,904,612</u>	<u>64</u>	<u>10,163,536</u>	<u>61</u>	<u>9,932,717</u>	<u>57</u>
	Significant contingent liabilities and unrecognised contract commitments	9						
	Significant events after the balance sheet date	11						
3X2X	Total liabilities and equity		<u>\$ 20,073,767</u>	<u>100</u>	<u>\$ 16,796,952</u>	<u>100</u>	<u>\$ 17,541,857</u>	<u>100</u>

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

ELITE SEMICONDUCTOR MICROELECTRONICS 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 earnings (loss) per share amount)

			Three months ended March 31			
			2026		2025	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(20)		\$ 7,266,900	100	\$ 2,902,935	100
5000 Operating costs	6(5)(25)(26)	(	3,813,452)	(52)	(2,559,836)	(88)
5950 Gross profit			3,453,448	48	343,099	12
Operating expenses	6(25)(26)					
6100 Selling expenses		(	189,288)	(3)	(71,924)	(3)
6200 General and administrative expenses		(	209,790)	(3)	(60,760)	(2)
6300 Research and development expenses		(	799,616)	(11)	(366,301)	(13)
6000 Total operating expenses		(	1,198,694)	(17)	(498,985)	(18)
6900 Operating profit (loss)			2,254,754	31	155,886	(6)
Non-operating income and expenses						
7100 Interest income	6(21)		24,530	1	27,123	1
7010 Other income	6(22)		1,790	-	6,103	-
7020 Other gains and losses	6(23)		83,490	1	54,953	2
7050 Finance costs	6(24)	(	12,784)	-	(19,181)	-
7060 Share of profit of associates and joint ventures accounted for using equity method	6(6)		687	-	9,414	-
7000 Total non-operating income and expenses			97,713	2	78,412	3
7900 Profit (loss) before income tax			2,352,467	33	(77,474)	(3)
7950 Income tax (expense) benefit	6(27)	(	288,641)	(4)	1,298	-
8200 Profit (loss) for the period			\$ 2,063,826	29	(\$ 76,176)	(3)
Components of other comprehensive income (loss)-net						
Other comprehensive income (loss) components that will not be reclassified to profit or loss						
8316 Unrealised income (loss) from investments in equity instruments measured at fair value through other comprehensive income (loss)	6(3)	\$	2,648	-	(\$ 8,954)	-
8310 Components of other comprehensive income (loss) that will not be reclassified to profit or loss			2,648	-	(8,954)	-
Other comprehensive income (loss) components that will be reclassified to profit or loss						
8361 Exchange differences on translation of foreign financial statements			4,237	-	3,156	-
8360 Components of other comprehensive income(loss) that will be reclassified to profit or loss			4,237	-	3,156	-
8300 Other comprehensive income (loss) for the period-net		\$	6,885	-	(\$ 5,798)	-
8500 Total comprehensive income (loss) for the period		\$	2,070,711	29	(\$ 81,974)	(3)
Profit (loss) attributable to:						
8610 Owners of the parent		\$	2,063,883	29	(\$ 76,190)	(3)
8620 Non-controlling interests		(	57)	-	\$ 14	-
Total comprehensive income (loss) attributable to:						
8710 Owners of the parent		\$	2,070,768	29	(\$ 81,988)	(3)
8720 Non-controlling interests		(	57)	-	\$ 14	-
Earnings (losses) per share (in dollars)	6(28)					
9750 Basic earnings (losses) per share		\$	7.22		(\$ 0.27)	
9850 Diluted earnings (losses) per share		\$	7.07		(\$ 0.27)	

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

ELITE SEMICONDUCTOR MICROELECTRONICS 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												

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

ELITE SEMICONDUCTOR MICROELECTRONICS TECHNOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31	
		2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax		\$ 2,352,467	(\$ 77,474)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(7)(8)(9)(25)	101,773	96,764
Amortisation	6(10)(25)	40,718	42,386
Net loss on financial assets at fair value through profit or loss	6(2)(23)	1,231	40
Interest expense	6(24)	12,784	19,181
Interest income	6(21)	(24,530)	(27,123)
Share of profit of associates and joint ventures accounted for using equity method	6(6)	(687)	(9,414)
Gains on lease modifications	6(8)(23)	-	(907)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		(370)	83
Accounts receivable		(1,008,243)	(29,977)
Other receivables		(11,932)	5,850
Inventories		90,454	(402,962)
Prepayments		144,663	3,739
Other current assets		(725)	(451)
Other non-current assets		-	147,283
Changes in operating liabilities			
Contract liabilities		74,667	(617)
Notes payable		(1,804)	-
Accounts payable		594,341	(69,760)
Other payables		351,320	(34,682)
Provisions for liabilities		-	1,205
Other current liabilities		206	(115)
Other non-current liabilities		286,967	32
Cash inflow (outflow) generated from operations		3,003,300	(336,919)
Interest received		20,086	23,310
Interest paid		(10,002)	(13,349)
Income tax paid		(551)	(2,716)
Net cash flows from (used in) operating activities		3,012,833	(329,674)

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ELITE SEMICONDUCTOR MICROELECTRONICS TECHNOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

	<u>Notes</u>	<u>Three months ended March 31</u>	
		<u>2026</u>	<u>2025</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through other comprehensive income		(\$ 220)	\$ -
Disposal of investments in equity instruments designated at fair value through other comprehensive income		146	-
Acquisition of property, plant and equipment	6(29)	(104,410)	(125,408)
Acquisition of intangible assets	6(29)	(58,685)	(88,463)
Increase in refundable deposits		(497)	(1,505)
Net cash flows used in investing activities		(163,666)	(215,376)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in short-term borrowings	6(29)	(270,000)	100,000
Increase in short-term notes and bills payable	6(29)	-	99,541
Repayments of long-term borrowings	6(29)	(71,204)	(57,800)
Payments of lease liabilities	6(29)	(6,815)	(7,222)
Increase in guarantee deposits received	6(29)	92	1,258
Changes in non-controlling interests		520	-
Net cash flows (used in) from financing activities		(347,407)	135,777
Effects of exchange rate changes		2,658	2,733
Net increase (decrease) in cash and cash equivalents		2,504,418	(406,540)
Cash and cash equivalents at beginning of period	6(1)	4,526,863	4,485,019
Cash and cash equivalents at end of period	6(1)	<u>\$ 7,031,281</u>	<u>\$ 4,078,479</u>

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

ELITE SEMICONDUCTOR MICROELECTRONICS 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

Elite Semiconductor Microelectronics Technology Inc. (the “Company”) was incorporated in May 1998 and commenced operations in December 1998. The Company and its subsidiaries (collectively referred to as “the Group”) are engaged in the research, development, production, manufacturing, and sales of dynamic and static random access memory, flash memory, analog integrated circuits, analog and digital mixed integrated circuits. The Group is also engaged in the related design and technical R&D services for the above products.

The Company merged with Ji Xin Technology Co., Ltd. on December 5, 2005, and merged with Eon Silicon Solution Inc. on June 8, 2016, with the Company as the surviving company.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorised for issuance by the Board of Directors on April 30, 2026.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by IASB
Specific provisions of Amendments to IFRS 9 and IFRS 7, ‘Amendments to the classification and measurement of financial instruments’	January 1, 2026
Amendments to IFRS 9 and IFRS 7, ‘Contracts referencing nature-dependent electricity’	January 1, 2026
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

None.

(3) Effect of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by IASB
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by IASB
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027(Note)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Amendments to IAS 21, 'Translation to a Hyperinflationary Presentation Currency'	January 1, 2027

Note: The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

A. IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

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 IAS 34, 'Interim financial reporting' that came into effect as endorsed by the FSC.

B. These consolidated financial statements should be read along 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 under the historical cost convention:

- (a) Financial assets (including derivative instruments) at fair value through profit or loss.
- (b) Financial assets at fair value through other comprehensive income.
- (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less 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 that came into effect as endorsed by the 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:

Basis of preparation for the consolidated financial statements is consistent with the consolidated financial statements for the year ended December 31, 2025.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
Elite Semiconductor Microelectronics Technology Inc.	Elite Semiconductor Memory Technology Inc.	Research and development, production, sales and related consulting services of integrated circuits	100	100	100	Note 3
Elite Semiconductor Microelectronics Technology Inc.	Charng Feng Investment Ltd.	Investment activities	100	100	100	Note 3
Elite Semiconductor Microelectronics Technology Inc.	Jie Young Investment Ltd.	Investment activities	41.86	41.86	41.86	Notes 1 and 3
Elite Semiconductor Microelectronics Technology Inc.	Elite Investment Services Ltd.	Investment activities	100	100	100	Note 3
Elite Semiconductor Microelectronics Technology Inc.	Eon Silicon Solutions, Inc. USA	Product design, development and testing	100	100	100	Note 3
Charng Feng Investment Ltd.	Elite Memory Technology Inc.	Product design, wholesale and retail of electronic materials, manufacturing of electronic components, information software services and international trade	100	100	100	Note 3

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
Charng Feng Investment Ltd.	Elite Innovation Japan Ltd.	Product design, wholesale and retail of electronic materials, manufacturing of electronic components, information software services and international trade	100	100	100	Note 3
Charng Feng Investment Ltd.	Elite Semiconductor Microelectronics Technology (shenzhen) Inc.	Trading of goods, provision of technical services, development and sale of networking, storage, and peripheral products, integrated circuit consulting services, and after-sales services	100	100	100	Note 3
Charng Feng Investment Ltd.	Elite Semiconductor Microelectronics (Shanghai) Technology Inc.	Product design, wholesale and retail of electronic materials, software design services and international trade	100	100	100	Note 3
Charng Feng Investment Ltd.	CHI Microelectronics Limited	General trading	100	100	100	Note 3
Charng Feng Investment Ltd.	Genion Innovation Ltd.	Investment activities	48	-	-	Notes 2 and 4
Elite Semiconductor Microelectronics (Shanghai) Technology Inc.	Elite Semiconductor Microelectronics Technology (Xian) Inc.	Product design, wholesale and retail of electronic materials, information software services and international trade	100	100	100	Note 3

Note 1: Elite Semiconductor Microelectronics Technology Inc. holds the majority of voting rights of Jie Young Investment Ltd. and both have the same management. It is concluded to have de facto control; therefore, it was included in the consolidated financial statements.

Note 2: The subsidiary, Genion Innovation Ltd., was incorporated in March 2026. Charng Feng Investment Ltd. holds the majority of voting rights of Genion Innovation Ltd. and both have the same management. It is concluded to have de facto control; therefore, it was included in the consolidated financial statements.

Note 3: As the subsidiaries do not meet the definition of significant subsidiaries, their financial statements as at March 31, 2026 and 2025 were not reviewed by independent auditors.

Note 4: As the subsidiaries do not meet the definition of significant subsidiaries, their financial statements as at March 31, 2026 was not reviewed by independent auditors.

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

D. Adjustments for different accounting periods of subsidiaries: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(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. And 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 information is disclosed accordingly.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

There was no significant change in the reporting period. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2025.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Cash on hand and revolving funds	\$ 132	\$ 123	\$ 160
Checking accounts and demand deposits	2,691,245	1,228,339	1,801,830
Time deposits	4,339,904	3,298,401	2,276,489
	<u>\$ 7,031,281</u>	<u>\$ 4,526,863</u>	<u>\$ 4,078,479</u>

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

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

<u>Items</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	\$ 1,255	\$ 1,255	\$ 1,255
Unlisted stocks	8,113	8,113	8,113
Call options of convertible bonds	43	1,300	1,300
Subtotal	9,411	10,668	10,668
Valuation adjustment	(3,246)	(3,272)	(8,064)
Total	<u>\$ 6,165</u>	<u>\$ 7,396</u>	<u>\$ 2,604</u>

A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Three-month periods ended March 31,	
	2026	2025
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	\$ 1,378	\$ 60
Call options of convertible bonds	(2,609)	(100)
Total	<u>(\$ 1,231)</u>	<u>(\$ 40)</u>

B. The Group has no financial assets at fair value through profit or loss pledged to others.

C. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2)C(b).

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

Items	March 31, 2026	December 31, 2025	March 31, 2025
Non-current items:			
Equity instruments			
Unlisted stocks	\$ 48,782	\$ 107,862	\$ 107,862
Valuation adjustment	(17,890)	(79,692)	(49,074)
	<u>\$ 30,892</u>	<u>\$ 28,170</u>	<u>\$ 58,788</u>

A. The Group has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income.

B. For the three-month period ended March 31, 2026, the Group sold its investment with a fair value of \$146 and reclassified \$59,154 from other equity to retained earnings, resulting in an accumulated loss on disposal of \$59,154. There was no disposal transactions for the three-month period ended March 31, 2025.

C. The amounts of fair value changes recognised in other comprehensive income (loss) for the equity instruments measured at fair value through other comprehensive income (loss) amounted to \$2,648 and (\$8,954) for the three-month periods ended March 31, 2026 and 2025.

(4) Accounts receivable

	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable - general customers	\$ 3,220,088	\$ 2,211,845	\$ 1,462,635
Less: Loss allowance	-	-	-
	<u>\$ 3,220,088</u>	<u>\$ 2,211,845</u>	<u>\$ 1,462,635</u>

A. The aging analysis of accounts receivable is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Not past due	\$ 3,219,536	\$ 2,209,700	\$ 1,462,635
Up to 30 days	552	2,145	-
	<u>\$ 3,220,088</u>	<u>\$ 2,211,845</u>	<u>\$ 1,462,635</u>

The above aging analysis is based on past due date.

B. As at 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 Group's accounts receivable were \$3,220,088, \$2,211,845 and \$1,462,635, respectively.

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

D. As at March 31, 2026, December 31, 2025 and March 31, 2025, accounts receivable were all from contracts with customers. As at January 1, 2025, the balance of receivables from contracts with customers amounted to \$1,432,785.

E. The Group has no accounts receivable pledged to others.

(5) Inventories

	March 31, 2026		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 674,788	(\$ 75)	\$ 674,713
Work in process	5,184,269	(20,788)	5,163,481
Finished goods	1,120,253	(27,688)	1,092,565
Inventory in transit	60,607	-	60,607
	<u>\$ 7,039,917</u>	<u>(\$ 48,551)</u>	<u>\$ 6,991,366</u>
	December 31, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 739,735	(\$ 2,600)	\$ 737,135
Work in process	5,426,741	(4,653)	5,422,088
Finished goods	945,154	(40,901)	904,253
Inventory in transit	18,344	-	18,344
	<u>\$ 7,129,974</u>	<u>(\$ 48,154)</u>	<u>\$ 7,081,820</u>

	March 31, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 629,310	(\$ 1,008)	\$ 628,302
Work in process	6,321,565	(86,711)	6,234,854
Finished goods	1,578,921	(134,235)	1,444,686
Inventory in transit	32,090	-	32,090
	<u>\$ 8,561,886</u>	<u>(\$ 221,954)</u>	<u>\$ 8,339,932</u>

The cost of inventories recognised as expense for the periods:

	Three-month periods ended March 31,	
	2026	2025
Cost of goods sold	\$ 3,813,055	\$ 2,557,725
Loss on decline in market value and obsolescence of inventory	397	2,111
	<u>\$ 3,813,452</u>	<u>\$ 2,559,836</u>

(6) Investments accounted for using equity method

	2026	2025
At January 1	\$ 145,522	\$ 144,615
Share of profit of associates and joint ventures accounted for using equity method	687	9,414
Changes in capital surplus	(756)	386
At March 31	<u>\$ 145,453</u>	<u>\$ 154,415</u>

	March 31, 2026	December 31, 2025	March 31, 2025
Associates	<u>\$ 145,453</u>	<u>\$ 145,522</u>	<u>\$ 154,415</u>

(7) Property, plant and equipment

	Land	Buildings and structures	Machinery equipment	Test equipment	Others	Total
At January 1, 2026						
Cost	\$ 562,898	\$ 1,103,437	\$ 498,021	\$ 423,284	\$ 1,175,448	\$ 3,763,088
Accumulated depreciation and impairment	-	(543,786)	(293,664)	(227,658)	(838,169)	(1,903,277)
	<u>\$ 562,898</u>	<u>\$ 559,651</u>	<u>\$ 204,357</u>	<u>\$ 195,626</u>	<u>\$ 337,279</u>	<u>\$ 1,859,811</u>
<u>2026</u>						
At January 1	\$ 562,898	\$ 559,651	\$ 204,357	\$ 195,626	\$ 337,279	\$ 1,859,811
Additions	-	9,195	3,054	2,186	97,859	112,294
Transfers (Note)	-	81,005	-	5,875	13,743	100,623
Depreciation charge	-	(10,214)	(13,725)	(12,569)	(58,112)	(94,620)
Net exchange difference	-	1,541	2	-	38	1,581
At March 31	<u>\$ 562,898</u>	<u>\$ 641,178</u>	<u>\$ 193,688</u>	<u>\$ 191,118</u>	<u>\$ 390,807</u>	<u>\$ 1,979,689</u>
At March 31, 2026						
Cost	\$ 562,898	\$ 1,195,642	\$ 501,103	\$ 431,357	\$ 1,287,315	\$ 3,978,315
Accumulated depreciation and impairment	-	(554,464)	(307,415)	(240,239)	(896,508)	(1,998,626)
	<u>\$ 562,898</u>	<u>\$ 641,178</u>	<u>\$ 193,688</u>	<u>\$ 191,118</u>	<u>\$ 390,807</u>	<u>\$ 1,979,689</u>
	Land	Buildings and structures	Machinery equipment	Test equipment	Others	Total
At January 1, 2025						
Cost	\$ 562,898	\$ 1,076,188	\$ 459,867	\$ 399,753	\$ 891,035	\$ 3,389,741
Accumulated depreciation and impairment	-	(507,266)	(240,509)	(178,317)	(629,561)	(1,555,653)
	<u>\$ 562,898</u>	<u>\$ 568,922</u>	<u>\$ 219,358</u>	<u>\$ 221,436</u>	<u>\$ 261,474</u>	<u>\$ 1,834,088</u>
<u>2025</u>						
At January 1	\$ 562,898	\$ 568,922	\$ 219,358	\$ 221,436	\$ 261,474	\$ 1,834,088
Additions	-	6,741	-	540	55,877	63,158
Transfers (Note)	-	-	-	3,029	1,534	4,563
Depreciation charge	-	(9,157)	(13,187)	(12,807)	(54,959)	(90,110)
Net exchange difference	-	1,203	1	-	99	1,303
At March 31	<u>\$ 562,898</u>	<u>\$ 567,709</u>	<u>\$ 206,172</u>	<u>\$ 212,198</u>	<u>\$ 264,025</u>	<u>\$ 1,813,002</u>
At March 31, 2025						
Cost	\$ 562,898	\$ 1,084,400	\$ 459,887	\$ 402,644	\$ 943,677	\$ 3,453,506
Accumulated depreciation and impairment	-	(516,691)	(253,715)	(190,446)	(679,652)	(1,640,504)
	<u>\$ 562,898</u>	<u>\$ 567,709</u>	<u>\$ 206,172</u>	<u>\$ 212,198</u>	<u>\$ 264,025</u>	<u>\$ 1,813,002</u>

Note: Transferred from prepayments for equipment (shown as “Other non-current assets”).

- A. For the three-month periods ended March 31, 2026 and 2025, there was no capitalisation of borrowing costs attributable to the property, plant and equipment.
- B. Information about property, plant and equipment pledged to others as collateral is provided in Note 8.

(8) Leasing arrangements — lessee

- A. The Group leases assets including land, buildings and structures, business vehicles, and printers. Rental contracts are typically made for periods of 2 to 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Short-term leases with a lease term of 12-months or less comprise business vehicles and warehouses.
- B. The carrying amount of right-of-use assets and depreciation charge are as follows:

	Carrying amount		
	March 31, 2026	December 31, 2025	March 31, 2025
Land	\$ 43,957	\$ 44,807	\$ 47,356
Buildings and structures	55,662	60,679	51,051
Business vehicles	2,011	2,575	3,101
Printers	1,523	1,774	1,328
	<u>\$ 103,153</u>	<u>\$ 109,835</u>	<u>\$ 102,836</u>

	Depreciation charge	
	Three-month periods ended March 31,	
	2026	2025
Land	\$ 850	\$ 849
Buildings and structures	5,245	4,868
Business vehicles	564	504
Printers	251	190
	<u>\$ 6,910</u>	<u>\$ 6,411</u>

- C. For the three-month periods ended March 31, 2026 and 2025, the additions to right-of-use assets were \$0 and \$3,249, respectively.
- D. The information on profit or loss accounts relating to lease contracts is as follows:

	Three-month periods ended March 31,	
	2026	2025
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 484	\$ 390
Expense relating to short-term leases	<u>\$ 299</u>	<u>\$ 665</u>
Gains on lease modifications	<u>\$ -</u>	<u>\$ 907</u>

- E. For the three-month periods ended March 31, 2026 and 2025, the Group's total cash outflows for leases were \$7,598 and \$8,277, respectively.

(9) Investment property-Buildings

	2026	2025
<u>At January 1</u>		
Cost	\$ 20,369	\$ 20,369
Accumulated depreciation and impairment	(7,517)	(6,547)
	<u>\$ 12,852</u>	<u>\$ 13,822</u>
 At January 1	 \$ 12,852	 \$ 13,822
Depreciation charge	(243)	(243)
At March 31	<u>\$ 12,609</u>	<u>\$ 13,579</u>
 <u>At March 31</u>		
Cost	\$ 20,369	\$ 20,369
Accumulated depreciation and impairment	(7,760)	(6,790)
	<u>\$ 12,609</u>	<u>\$ 13,579</u>

A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Three-month periods ended March 31,	
	2026	2025
Rental income from investment property	<u>\$ 673</u>	<u>\$ 673</u>
Direct operating expenses arising from the investment property that generated rental income during the period	<u>\$ 243</u>	<u>\$ 243</u>

B. The fair value of the investment property held by the Group as at March 31, 2026, December 31, 2025 and March 31, 2025 was \$9,359, \$9,833 and \$12,644, respectively, which was valued by income approach. Key assumptions are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Discount rate (Note)	<u>14.31%</u>	<u>13.34%</u>	<u>8.25%</u>

Note: Calculated based on the weighted average cost of capital (WACC).

C. For the three-month periods ended March 31, 2026 and 2025, there was no capitalisation of borrowing costs attributable to the investment property.

D. The Group has no investment property pledged to others.

(10) Intangible assets-Computer software

	2026	2025
<u>At January 1</u>		
Cost	\$ 830,929	\$ 850,910
Accumulated amortisation and impairment	(773,025)	(688,861)
	<u>\$ 57,904</u>	<u>\$ 162,049</u>
 At January 1	 \$ 57,904	 \$ 162,049
Additions	58,685	1,255
Transfer (Note)	106	-
Amortisation charge	(40,718)	(42,386)
At March 31	<u>\$ 75,977</u>	<u>\$ 120,918</u>
 <u>At March 31</u>		
Cost	\$ 889,753	\$ 852,188
Accumulated amortisation and impairment	(813,776)	(731,270)
	<u>\$ 75,977</u>	<u>\$ 120,918</u>

Note: Transferred from prepayments for equipment (shown as “Other non-current assets”).

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

	Three-month periods ended March 31,	
	2026	2025
Operating costs	\$ 8	\$ 8
General and administrative expenses	1,271	1,138
Research and development expenses	39,439	41,240
	<u>\$ 40,718</u>	<u>\$ 42,386</u>

B. For the three-month periods ended March 31, 2026 and 2025, there was no capitalisation of borrowing costs attributable to the intangible assets.

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

(11) Other non-current assets

	March 31, 2026	December 31, 2025	March 31, 2025
Prepayments for equipment and construction costs	\$ 91,109	\$ 180,346	\$ 234,947
Refundable deposits	10,683	10,186	10,669
Pledged time deposits	3,969	3,969	3,969
	<u>\$ 105,761</u>	<u>\$ 194,501</u>	<u>\$ 249,585</u>

(12) Short-term borrowings

Type of borrowings	March 31, 2026	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	\$ 1,000,000	1.87%~1.90%	None
Type of borrowings	December 31, 2025	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	\$ 1,270,000	1.80%~1.90%	None
Type of borrowings	March 31, 2025	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	\$ 1,700,000	1.849%~1.910%	None

(13) Bonds payable

	March 31, 2026	December 31, 2025	March 31, 2025
Convertible bonds payable	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Less: Bonds payable converted	(967,300)	(100)	(100)
Less: Discount on bonds payable	(388)	(16,922)	(32,223)
	32,312	982,978	967,677
Less: Current portion	(32,312)	(982,978)	-
	\$ -	\$ -	\$ 967,677

A. The issuance of domestic convertible bonds by the Company:

- (a) The terms of the first domestic unsecured convertible bonds issued by the Company are as follows:
- The regulatory authority has approved the first domestic unsecured convertible bonds issued by the Company. The total issuance amount is \$1,000,000 at 115.42% of the bond's face value with coupon rate of 0%, with a term of 3 years and a listing period from October 27, 2023 to October 27, 2026. The convertible bonds are settled by cash with principal value at maturity. The bonds were listed on the Taipei Exchange on October 27, 2023.
 - The bondholders have the right to convert the bonds into ordinary shares of the Company during the period from three months after the bond's issuance date to the maturity date, except for the suspended transfer period as specified in the terms of the bonds or the regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding ordinary shares.
 - The conversion price of the convertible bonds was set at NT\$85.6 (in NT\$ dollars) per share. However, the conversion price is adjusted according to the formula set out in the indenture if the following event occurs after the issuance of the Company's convertible bonds:
 - Increase in outstanding (or private placement) ordinary shares.

- (ii) The conversion price shall be reduced on the effective date of ex-dividend for distributing cash dividends of ordinary shares.
 - (iii) Reissuance (or private placement) of various securities with conversion options or stock options to ordinary shares at a conversion or an exercise price lower than the market price per share.
 - (iv) Reduction in ordinary share capital that is not caused by the retirement of treasury shares.
- iv. The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time during the period from the date after three months of the bonds issue to 40 days before the maturity date if the following events occur: (i) the closing price of the Company's ordinary shares is above the conversion price by 30% (including 30%) for 30 consecutive trading days, or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount.
- v. Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be sold or re-issued; the conversion options attached to the bonds are also extinguished.
- (b) The Company's Board of Directors resolved on June 24, 2025 that in accordance with Article 11 of the Regulations Governing the Issuance and Conversion of the First Domestic Unsecured Convertible Bonds, the conversion price was adjusted from NT\$85.1 to NT\$83.6 starting from ex-dividend date (July 15, 2025).
- (c) As of March 31, 2026, the Company's first domestic unsecured convertible bonds with a face value of \$967,300 were converted into 11,570,418 ordinary shares. Capital surplus arising from the conversion amounted to \$1,042,660, and a capital surplus-share options decreased by \$203,928.
- (d) The listing and trading of this convertible bond on the Taipei Exchange were terminated on April 9, 2026.
- B. Regarding the issuance of convertible bonds, the equity conversion options amounting were separated from the liability component and were recognised in 'capital surplus-share options' 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 net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host liability contracts.

(14) Other payables

	March 31, 2026	December 31, 2025	March 31, 2025
Accrued salaries and bonuses	\$ 758,495	\$ 466,744	\$ 506,834
Cash dividends payables	283,741	-	273,172
Payables for equipment	52,434	33,058	52,827
Accrued employees' compensation and directors' remuneration	53,755	5,606	11,010
Others	105,555	95,398	81,923
	<u>\$ 1,253,980</u>	<u>\$ 600,806</u>	<u>\$ 925,766</u>

(15) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	March 31, 2026
Long-term bank borrowings				
Secured borrowings	Note 1	1.900%	Land, buildings and structures	\$ 629,996
Unsecured borrowings	Notes 2 and 3	2.038%	None	348,500
				978,496
Less: Current portion				(284,817)
				<u>\$ 693,679</u>

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2025
Long-term bank borrowings				
Secured borrowings	Note 1	1.80%~1.90%	Land, buildings and structures	\$ 643,400
Unsecured borrowings	Notes 2 and 3	2.036%~2.038%	None	406,300
				1,049,700
Less: Current portion				(284,817)
				<u>\$ 764,883</u>

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	March 31, 2025
Long-term bank borrowings				
Secured borrowings	Note 1	1.800%	Land, buildings and structures	\$ 643,400
Unsecured borrowings	Notes 2 and 3	2.036%~2.038%	None	579,700
				1,223,100
Less: Current portion				(244,604)
				<u>\$ 978,496</u>

Note 1: Borrowing period is from October 2022 to October 2037, interest is repayable monthly, and starting from January 2026, the same amount of principal is repayable every three months.

Note 2: Borrowing period is from September 2024 to December 2027, interest is repayable monthly, and starting from December 2024, the same amount of principal is repayable every three months.

Note 3: According to the unsecured borrowing contract, the Company is required to comply with certain financial ratios, such as current ratio and liability ratio, during the contract periods. As at March 31, 2026, the Company had not violated any of the required financial ratios.

(16) Pension

- A. (a) The Company has 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 contributes 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 would assess the balance in the aforementioned labor 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 Company will make contributions for the deficit by next March.
- (b) For the aforementioned pension plan, the Group recognised pension costs of \$51 and \$70 for the three-month periods ended March 31, 2026 and 2025, respectively.
- B. 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. In addition, the Company's subsidiaries, Eon Silicon Solutions, Inc. USA, Elite Semiconductor Microelectronics Technology (shenzhen) Inc., Elite Semiconductor Microelectronics Technology (Shanghai) Technology Inc., Elite Semiconductor Microelectronics Technology (Xian) Inc. and Elite Innovation Japan Ltd., also contribute pensions to an independent fund administered by the government based on certain percentage of local employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations. The pension costs under the defined contribution pension plans of the Group for the three-month periods ended March 31, 2026 and 2025 were \$13,122 and \$12,630, respectively.

(17) Share capital

A. As at March 31, 2026, the Company's authorised capital was \$3,500,000, consisting of 350,000 thousand shares of ordinary shares (including 20,000 thousand shares reserved for employee stock options), and the paid-in capital was \$2,977,415 with a par value of \$10 (in NT\$ dollars) per share.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	Unit : Thousands of shares	
	2026	2025
Outstanding ordinary shares at January 1	272,172	273,172
Conversion of convertible bonds	11,569	-
Outstanding ordinary shares at March 31	283,741	273,172
Treasury shares at the end of the period	14,000	13,000
Issued ordinary shares at March 31	297,741	286,172

B. Treasury shares

Due to the Company's business strategy, the number of the Company's shares held by the Company's subsidiary, Jie Young Investment Ltd., as at March 31, 2026, December 31, 2025 and March 31, 2025, were 14,000 thousand shares, 14,000 thousand shares and 13,000 thousand shares with carrying amounts of \$389,683, \$389,683 and \$334,596, respectively; the average carrying amounts per share were NT\$27.83, NT\$27.83 and NT\$25.74, and the fair values per share were NT\$150, NT\$118 and NT\$55.9, respectively.

(18) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of ordinary shares 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.

2026						
	Changes in					
	Share premium	Treasury share transactions	ownership interests in subsidiaries and associates	Stock options	Others	Total
At January 1	\$ 23,574	\$ 61,834	\$ 210,222	\$ 210,801	\$ 4,242	\$ 510,673
Changes in capital surplus recognized for parent company's stock dividends received by subsidiaries	-	-	5,860	-	-	5,860
Change in equity of associates and joint ventures accounted for using equity method	-	-	(756)	-	-	(756)
Conversion of convertible bonds	1,042,556	-	-	(203,907)	-	838,649
At March 31	<u>\$ 1,066,130</u>	<u>\$ 61,834</u>	<u>\$ 215,326</u>	<u>\$ 6,894</u>	<u>\$ 4,242</u>	<u>\$ 1,354,426</u>

2025						
	Changes in					
	Share premium	Treasury share transactions	ownership interests in subsidiaries and associates	Stock options	Others	Total
At January 1	\$ 23,574	\$ 61,834	\$ 203,575	\$ 210,801	\$ 4,201	\$ 503,985
Changes in capital surplus recognized for parent company's stock dividends received by subsidiaries	-	-	5,442	-	-	5,442
Change in equity of associates and joint ventures accounted for using equity method	-	-	386	-	-	386
At March 31	<u>\$ 23,574</u>	<u>\$ 61,834</u>	<u>\$ 209,403</u>	<u>\$ 210,801</u>	<u>\$ 4,201</u>	<u>\$ 509,813</u>

(19) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall be appropriated in the following order:

- (a) Payment of all taxes and dues.
- (b) Offset previous years' operating losses, if any.
- (c) Setting aside 10% of remaining amount as legal reserve, unless the accumulated amount of the legal reserve has reached the total authorised capital of the Company.
- (d) Setting aside or reversing a special reserve according to relevant regulations.
- (e) The remainder from this year and prior years may be appropriated as dividends according to a resolution in the shareholders' meeting.

The Company is in the growth phase. To meet future operation requirements, long-term financial plan and the requirement of cash dividends distributing to the shareholders, the distributable earnings for current year can be entirely distributed to the shareholders, which

shall be proposed by the Board of Directors and resolved in the shareholders' meeting every year. Dividends to the shareholders can be distributed in the form of cash or shares, and cash dividends shall account for at least 50% of the total dividends distributed.

In accordance with Article 240 of the Company Act, the Board of Directors is authorized by the Company to approve the distribution of dividends and bonuses or legal reserve and capital reserve, in whole or in part, in accordance with Article 241 of the Company Act in the form of cash by a resolution adopted by the majority vote at its meeting attended by at least two-thirds of the total number of directors, and then reported to the shareholders.

- B. 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.
- C. In accordance with relevant regulations, the Company shall appropriate a special reserve from earnings before distribution if there is a debit balance under other equity items as of the balance sheet date. If such debit balance is subsequently reversed, the reversed amount may be reclassified to distributable earnings.
- D. The Company's appropriation of earnings and cash dividends per share as resolved by the Board of Directors, is as follows:

	2025	2024
As approved by the Board of Directors	February 26, 2026	February 26, 2025
Provision for legal reserve	\$ 24,497	\$ 50,631
Provision for (reversal of) special reserve	\$ 41,444	(\$ 8,603)
Cash dividends (Note)	\$ 297,741	\$ 286,172
Cash dividends per share (in NT\$ dollars) (Note)	\$ 1.0	\$ 1.0

The Company's earnings distribution of 2025 is pending resolution at the shareholders' general meeting to be held on May 22, 2026.

Note: The Company resolved a cash dividend of NT\$1 per share for the year ended December 31, 2025. Subsequently, if the number of shares outstanding changes prior to the ex-dividend date due to events such as the conversion of convertible bonds into ordinary shares, the Chairman is authorised to fully handle the matter. The total amount of cash dividends actually distributed will be calculated based on the ultimate shares outstanding and will be posted on the "Market Observation Post System".

(20) Operating revenue

	Three-month periods ended March 31,	
	2026	2025
Revenue from contracts with customers	\$ 7,266,900	\$ 2,902,935

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods at a point in time in the following major geographical regions:

Three-month period ended

<u>March 31, 2026</u>	<u>Domestic area</u>	<u>Asia</u>	<u>Others</u>	<u>Total</u>
Integrated circuits	\$ 2,541,443	\$ 4,685,829	\$ 39,628	\$ 7,266,900

Three-month period ended

<u>March 31, 2025</u>	<u>Domestic area</u>	<u>Asia</u>	<u>Others</u>	<u>Total</u>
Integrated circuits	\$ 1,099,795	\$ 1,782,057	\$ 21,083	\$ 2,902,935

B. Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>	<u>January 1, 2025</u>
Contract liabilities- advance sales receipts	\$ 95,990	\$ 21,323	\$ 15,737	\$ 16,354

Revenue recognised that was included in the contract liability balance at the beginning of the period:

	Three-month periods ended March 31,	
	2026	2025
Contract liabilities – advance sales receipts	\$ 21,135	\$ 13,034

(21) Interest income

	Three-month periods ended March 31,	
	2026	2025
Interest income from bank deposits	\$ 24,512	\$ 27,108
Other interest income	18	15
	\$ 24,530	\$ 27,123

(22) Other income

	Three-month periods ended March 31,	
	2026	2025
Rent income	\$ 1,532	\$ 1,429
Other income, others	258	4,674
	\$ 1,790	\$ 6,103

(23) Other gains and losses

	Three-month periods ended March 31,	
	2026	2025
Net foreign exchange gains	\$ 84,964	\$ 54,328
Losses on financial assets at fair value through profit or loss	(1,231)	(40)
Other expenses	(243)	(242)
Gains arising from lease modifications	-	907
	<u>\$ 83,490</u>	<u>\$ 54,953</u>

(24) Finance costs

	Three-month periods ended March 31,	
	2026	2025
Interest expense:		
Bank borrowings	\$ 8,562	\$ 13,569
Provisions for liabilities-amortisation of discount	52	259
Lease liabilities	484	390
Amortisation of discount on bonds payable	3,678	4,956
Total interest expense	<u>12,776</u>	<u>19,174</u>
Others	8	7
	<u>\$ 12,784</u>	<u>\$ 19,181</u>

(25) Expenses by nature

	Three-month periods ended March 31,	
	2026	2025
Employee benefit expenses	<u>\$ 972,791</u>	<u>\$ 353,763</u>
Depreciation charges on property, plant and equipment	<u>\$ 94,620</u>	<u>\$ 90,110</u>
Depreciation charges on right-of-use assets	<u>\$ 6,910</u>	<u>\$ 6,411</u>
Depreciation charges on investment property	<u>\$ 243</u>	<u>\$ 243</u>
Amortisation charges on intangible assets	<u>\$ 40,718</u>	<u>\$ 42,386</u>

(26) Employee benefit expenses

	Three-month periods ended March 31,	
	2026	2025
Wages and salaries	\$ 902,872	\$ 308,104
Labor and health insurance expenses	21,780	22,264
Pension costs	13,173	12,700
Directors' remuneration	25,394	885
Other personnel expenses	9,572	9,810
	<u>\$ 972,791</u>	<u>\$ 353,763</u>

- A. According to the Company's Articles of Incorporation, the Company shall distribute no less than 1% of its current year's profit as employees' compensation, of which no less than 50% shall be distributed to rank-and-file employees; and no more than 1% as remuneration for directors.
- B. For the three-month periods ended March 31, 2026 and 2025, employees' compensation was accrued at \$24,004 and \$0, respectively; directors' remuneration was accrued at \$24,004 and \$0, respectively. The amounts were recognised in wages and salaries.
- C. The employees' compensation and directors' remuneration for 2025 amounting to \$2,733 and \$2,733, respectively, as resolved at the meeting of the Board of Directors were in agreement with those amounts recognised in the 2025 financial statements.
- D. Information about employees' compensation and directors' remuneration 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

(a) Components of income tax expense:

	Three-month periods ended March 31,	
	2026	2025
Current tax:		
Current tax on profit for the period	\$ 221,137	\$ 631
Under provision of prior period's income tax	<u>78</u>	<u>-</u>
Total current tax	221,215	631
Deferred tax:		
Origination and reversal of temporary differences	<u>67,426</u>	<u>(1,929)</u>
Income tax expense (benefit)	<u>\$ 288,641</u>	<u>(\$ 1,298)</u>

(b) The income tax charge relating to components of other comprehensive income: None.

(c) The income tax charged to equity during the period: None.

B. The Company's income tax returns through 2023 have been assessed and approved by the Tax Authority.

(28) Earnings (losses) per share

	Three-month period ended March 31, 2026		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in NT\$ dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent company	\$ 2,063,883	285,806	\$ 7.22
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	171	
Convertible bonds	3,678	6,466	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,067,561	292,443	\$ 7.07

	Three-month period ended March 31, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Losses per share (in NT\$ dollars)
<u>Basic and diluted losses per share (note)</u>			
Loss attributable to ordinary shareholders of the parent company	(\$ 76,190)	280,730	(\$ 0.27)

Note: As the convertible bonds payable has an anti-dilutive effect for the three-month periods ended March 31, 2025, it is not included in the calculation of diluted earnings per share.

(29) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Three-month periods ended March 31,	
	2026	2025
Purchase of property, plant and equipment (including transferred amount)	\$ 212,917	\$ 67,721
Add: Ending balance of prepayment for equipment	91,109	234,947
Less: Opening balance of prepayment for equipment	(180,240)	(175,624)
Add: Opening balance of payable for equipment	33,058	51,191
Less: Ending balance of payable for equipment	(52,434)	(52,827)
Cash paid during the period	\$ 104,410	\$ 125,408

	Three-month periods ended March 31,	
	2026	2025
Purchase of intangible assets (including transferred amount)	\$ 58,791	\$ 1,255
Add: Opening balance of payable for equipment being transferred to intangible assets	-	87,208
Less: Opening balance of prepayment for equipment being transferred to intangible assets	(106)	-
Cash paid during the period	<u>\$ 58,685</u>	<u>\$ 88,463</u>

B. Financing activities with no cash flow effects:

	Three-month periods ended March 31,	
	2026	2025
Cash dividends	\$ 297,741	\$ 286,172
Less: Dividends on shares of the parent company held by the subsidiary to be eliminated	(14,000)	(13,000)
Less: Cash dividends payable	(283,741)	(273,172)
	<u>\$ -</u>	<u>\$ -</u>

C. Changes in liabilities from financing activities:

	Short-term borrowings	Bonds payable (including current portion)	Long-term borrowings (including current portion)	Lease liabilities	Guarantee deposits received	Liabilities from financing activities-gross
At January 1, 2026	\$ 1,270,000	\$ 982,978	\$ 1,049,700	\$ 111,509	\$ 7,096	\$ 3,421,283
Changes in cash flow from financing activities	(270,000)	-	(71,204)	(6,815)	92	(347,927)
Interest paid	-	-	-	(484)	-	(484)
Interest expense	-	3,678	-	484	-	4,162
Changes in other non-cash items	-	(954,344)	-	232	-	(954,112)
At March 31, 2026	<u>\$ 1,000,000</u>	<u>\$ 32,312</u>	<u>\$ 978,496</u>	<u>\$ 104,926</u>	<u>\$ 7,188</u>	<u>\$ 2,122,922</u>

	Short-term borrowings	Short-term notes and bills payable	Bonds payable	Bonds payable (including current portion)	Lease liabilities	Guarantee deposits received	Liabilities from financing activities-gross
At January 1, 2025	\$ 1,600,000	\$ -	\$ 962,721	\$ 1,280,900	\$ 110,342	\$ 6,103	\$ 3,960,066
Changes in cash flow from financing activities	100,000	99,541	-	(57,800)	(7,222)	1,258	135,777
Interest paid	-	-	-	-	(390)	-	(390)
Interest expense	-	407	4,956	-	390	-	5,753
Changes in other non-cash items	-	-	-	-	1,079	-	1,079
At March 31, 2025	<u>\$ 1,700,000</u>	<u>\$ 99,948</u>	<u>\$ 967,677</u>	<u>\$ 1,223,100</u>	<u>\$ 104,199</u>	<u>\$ 7,361</u>	<u>\$ 4,102,285</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Company</u>
Canyon Semiconductor Inc.	Associated Company

(2) Key management personnel compensation

	<u>Three-month periods ended March 31,</u>	
	<u>2026</u>	<u>2025</u>
Salaries and other short-term employee benefits	\$ 84,369	\$ 6,607
Post-employment benefits	162	159
Total	<u>\$ 84,531</u>	<u>\$ 6,766</u>

8. PLEDGED ASSETS

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

<u>Assets item</u>	<u>Book value</u>			<u>Purposes</u>
	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>	
Land, buildings and structures	\$ 722,524	\$ 724,249	\$ 729,425	Long-term borrowings
Time deposits (shown as "other non-current assets")	3,969	3,969	3,969	Guarantee deposits for land leasing
	<u>\$ 726,493</u>	<u>\$ 728,218</u>	<u>\$ 733,394</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

None.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

Considering the characteristics of the current operating industry, the Company's future development, and changes in the external environment, the Group plans for future requirements of working capital, research and development expenditures, and dividend payments to shareholders in order to safeguard the Group's ability to continue as a going concern, to provide returns to shareholders, to balance the interests of other stakeholders, and to maintain an optimal capital structure so as to enhance shareholders' value in the long term.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares, return cash to shareholders, or repurchase its own shares.

(2) Financial instruments

A. Financial instruments by category

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Financial assets</u>			
Financial assets mandatorily measured at fair value through profit or loss	\$ <u>6,165</u>	\$ <u>7,396</u>	\$ <u>2,604</u>
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	\$ <u>30,892</u>	\$ <u>28,170</u>	\$ <u>58,788</u>
Financial assets at amortised cost			
Cash and cash equivalents	\$ 7,031,281	\$ 4,526,863	\$ 4,078,479
Notes receivable	370	-	44
Accounts receivable	3,220,088	2,211,845	1,462,635
Other receivables	111,125	94,749	96,137
Time deposits (shown as "Other non-current assets")	3,969	3,969	3,969
Refundable deposits (shown as "Other non-current assets")	<u>10,683</u>	<u>10,186</u>	<u>10,669</u>
	\$ <u>10,377,516</u>	\$ <u>6,847,612</u>	\$ <u>5,651,933</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 1,000,000	\$ 1,270,000	\$ 1,700,000
Short-term notes and bills payable	-	-	99,948
Notes payable	741	2,545	-
Accounts payable	2,936,561	2,342,220	2,315,776
Other payables	1,253,980	600,806	925,766
Bonds payable (including current portion)	32,312	982,978	967,677
Long-term borrowings (including current portion)	978,496	1,049,700	1,223,100
Guarantee deposits received (shown as "Other non-current liabilities")	<u>7,188</u>	<u>7,096</u>	<u>7,361</u>
	\$ <u>6,209,278</u>	\$ <u>6,255,345</u>	\$ <u>7,239,628</u>
Lease liabilities	\$ <u>104,926</u>	\$ <u>111,509</u>	\$ <u>104,199</u>

B. Financial risk management policies

- The Group adopts a comprehensive risk management and control system to clearly identify, assess, and control all types of risks, including market risk, credit risk, liquidity risk, and cash flow risk, enabling management to effectively control and assess such risks.
- To effectively manage various market risks, the Group takes into consideration the economic environment, competitive conditions, and the impact of market value risk, in order to maintain an optimal risk position, preserve an appropriate liquidity position, and centrally manage all market risks.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from the various currency, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.
- ii. The Group's foreign exchange risk management strategy involves regularly reviewing the net positions of assets and liabilities in various currencies and managing the associated risks accordingly. In addition to achieving natural hedges where possible, the Group may also adopt appropriate hedging instruments after considering factors such as hedging costs and the duration of the hedge, thereby effectively mitigating the impact of exchange rate fluctuations on the Group's overall financial position.
- iii. The Group's operations involve certain non-functional currencies (the functional currency of the Company and certain subsidiaries is NTD, while that of other subsidiaries is USD, JPY, HKD, and RMB). The following sets out information on foreign currency-denominated assets and liabilities that are significantly affected by exchange rate fluctuations:

	March 31, 2026		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 181,749	31.995	\$ 5,815,059
RMB:NTD	94,064	4.629	435,422
RMB:USD	12,484	6.9119	57,788
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 64,935	31.995	\$ 2,077,595
RMB:NTD	10,647	4.629	49,285

December 31, 2025			
	Foreign currency		
	amount	Exchange	Book value
	(In thousands)	rate	(NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 108,393	31.430	\$ 3,406,792
RMB:NTD	104,146	4.496	468,240
RMB:USD	12,433	6.990	55,899
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 46,358	31.430	\$ 1,457,032
RMB:NTD	10,667	4.496	47,959
March 31, 2025			
	Foreign currency		
	amount	Exchange	Book value
	(In thousands)	rate	(NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 118,173	33.205	\$ 3,923,934
RMB:NTD	130,740	4.573	597,874
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 45,705	33.205	\$ 1,517,635

- iv. The total exchange gains, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three-month periods ended March 31, 2026 and 2025, amounted to \$84,964 and \$54,328, respectively.

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Three-month period ended March 31, 2026				
Sensitivity analysis				
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$ 58,151	\$	-
RMB:NTD	1%	4,354		-
RMB:USD	1%	578		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%	(\$ 20,776)	\$	-
RMB:NTD	1%	(493)		-

Three-month period ended March 31, 2025				
Sensitivity analysis				
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$ 39,239	\$	-
RMB:NTD	1%	5,979		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%	(\$ 15,176)	\$	-

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 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 mainly invests in equity instruments issued by domestic and foreign companies. The prices of these equity instruments are affected by the uncertainty regarding the future value of the underlying investments. Had the prices of these equity instruments increased or decreased by 10% while all other variables were held constant, for the three-month periods ended March 31, 2026 and 2025, net profit after tax would have increased or decreased by \$607 and \$260, respectively from the account of gains or losses on equity instruments at fair value through profit or loss; other comprehensive income would have increased or decreased by \$3,089 and \$5,879, respectively from the account of gains or losses on equity investments designated at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's cash flow interest rate risk arises from long-term and short-term borrowings issued at floating interest rates. During the three-month periods ended March 31, 2026, and 2025, these borrowings were denominated in NTD.
- ii. If the interest rate on borrowings had increased or decreased by 0.2%, with all other variables held constant, profit after tax for the three-month periods ended March 31, 2026 and 2025 would have decreased or increased by \$972 and \$1,181, respectively. This is mainly attributable to changes in interest expense resulting from the floating-rate borrowings.

(b) Credit risk

- i. Credit risk is the risk of financial loss to the Group arising from a client or counterparty of a financial instrument failing to discharge its contractual obligations. The principal exposure arises from counterparties' inability to settle accounts receivable in accordance with the agreed terms, as well as from the contractual cash flows of financial assets measured at amortised cost.
- ii. The Group manages its credit risk on a group-wide basis. For banks and financial institutions, only those with strong credit ratings are accepted as counterparties. In accordance with the Group's credit policy, each operating entity within the Group is required to manage and assess the credit risk of each new customer prior to setting standard payment and delivery terms. Internal risk control procedures evaluate the credit quality of customers by considering their financial position, past experience, and other relevant factors. Individual credit limits are established by Board of Directors based on internal or external credit ratings, and the utilisation of credit limits is monitored on a regular basis.
- iii. The Group applies the presumption under IFRS 9 that default occurs when contractual payments are more than 90 days past due.

- iv. The Group also applies the presumption under IFRS 9 that there has been a significant increase in credit risk since initial recognition when contractual payments are more than 30 days past due.
- v. The following objective evidence is used to determine whether credit impairment of debt instruments has occurred:
 - (i) Significant financial difficulty of the issuer and a high probability of entering bankruptcy or other financial reorganisation;
 - (ii) The disappearance of an active market for the financial asset due to the issuer's financial difficulties;
 - (iii) Default or delinquency in interest or principal repayments by the issuer;
 - (iv) Adverse changes in national or regional economic conditions that are expected to result in the issuer's default.
- vi. The Group writes off a financial asset when there is no reasonable expectation of recovering it, after the initiating recourse procedures. Nevertheless, the Group continues to pursue legal recourse to preserve its rights.
- vii. Financial assets measured at amortised cost comprise time deposits and restricted time deposits with banks that possess strong credit ratings and no history of default. Considering also that there have been no significant changes in the overall economic environment, the risk of credit loss is assessed to be very low and the impact on the financial statements is considered immaterial.
- viii. Information on the aging analysis of the Group's accounts receivable from customers is disclosed in Note 6(4). In assessing credit risk, the Group takes into account the counterparties' financial position, historical transaction experience, current economic conditions, and the Group's internal credit rating standards. Based on these risk factors, the Group may require prepayments, collateral, or other forms of guarantees. Accounts receivable are grouped according to risk characteristics, and the Group applies the simplified approach using the loss rate method to estimate expected credit losses. On the balance sheet date, the Group reviews the recoverable amount of accounts receivable on an individual basis to ensure that appropriate impairment losses have been recognised for uncollectible amounts. Based on this assessment, the expected credit loss (ECL) allowance by the Group as at March 31, 2026, December 31, 2025 and March 31, 2025 was considered immaterial.

(c) Liquidity risk

- i. The Group manages liquidity risk through forecasting and continuous monitoring of working capital requirements, ensuring that it maintains adequate levels of cash and cash equivalents to support operational needs and to reduce the impact of cash flow fluctuations on business operations.

- ii. Surplus cash held by the operating entities, in excess of what is required for working capital purposes, is invested in interest-bearing demand deposits, time deposits, and marketable securities. The investment instruments are selected based on appropriate maturities or sufficient liquidity, as determined by the aforementioned forecasts, to ensure an adequate level of financial flexibility.
- iii. 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.

<u>Non-derivative financial liabilities:</u>	Less than 1	Between 1	Over
March 31, 2026	year	and 5 years	5 years
Short-term borrowings	\$ 1,004,135	\$ -	\$ -
Notes payable	741	-	-
Accounts payable	2,936,561	-	-
Other payables	1,253,980	-	-
Lease liabilities	24,276	49,337	36,235
Bonds payable (including current portion)	32,700	-	-
Long-term borrowings (including current portion)	301,485	367,873	384,261
Guarantee deposits received	-	-	7,188

Derivative financial liabilities: None.

<u>Non-derivative financial liabilities:</u>	Less than 1	Between 1	Over
December 31, 2025	year	and 5 years	5 years
Short-term borrowings	\$ 1,273,870	\$ -	\$ -
Notes payable	2,545	-	-
Accounts payable	2,342,220	-	-
Other payables	600,806	-	-
Lease liabilities	26,800	52,339	37,770
Bonds payable (including current portion)	999,900	-	-
Long-term borrowings (including current portion)	302,918	427,584	399,384
Guarantee deposits received	-	-	7,096

Derivative financial liabilities: None.

<u>Non-derivative financial liabilities:</u>	Less than 1	Between 1	Over
March 31, 2025	year	and 5 years	5 years
Short-term borrowings	\$ 1,702,615	\$ -	\$ -
Short-term notes and bills payable	100,058	-	-
Accounts payable	2,315,776	-	-
Other payables	925,766	-	-
Lease liabilities	24,795	50,849	34,532
Bonds payable (including current portion)	-	999,900	-
Long-term borrowings (including current portion)	263,586	608,477	445,136
Guarantee deposits received	-	-	7,361

Derivative financial liabilities: None.

(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 listed stocks and emerging stocks, beneficiary certificates and debt securities are 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.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(9).

C. Except for those listed in the table below, the carrying amounts of cash and cash equivalents, financial assets at amortised cost, notes receivable, accounts receivable, other receivables, refundable deposits, short-term and long-term borrowings, notes payable, accounts payable, other payables, lease liabilities and guarantee deposits received are approximate to their fair values.

March 31, 2026				
	<u>Book value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial liabilities:				
Bonds payable (including current portion)	<u>\$ 32,312</u>	<u>\$ -</u>	<u>\$ 32,741</u>	<u>\$ -</u>
December 31, 2025				
	<u>Book value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial liabilities:				
Bonds payable (including current portion)	<u>\$ 982,978</u>	<u>\$ -</u>	<u>\$ 985,701</u>	<u>\$ -</u>
March 31, 2025				
	<u>Book value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial liabilities:				
Bonds payable (including current portion)	<u>\$ 967,677</u>	<u>\$ -</u>	<u>\$ 969,503</u>	<u>\$ -</u>

D. The related information of 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 is as follows:

(a) The related information of nature of the assets and liabilities is as follows:

March 31, 2026	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 5,333	\$ -	\$ 741	\$ 6,074
Call options of convertible bonds	-	-	91	91
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	30,892	30,892
	<u>\$ 5,333</u>	<u>\$ -</u>	<u>\$ 31,724</u>	<u>\$ 37,057</u>

Financial liabilities: None.

December 31, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 3,972	\$ -	\$ 724	\$ 4,696
Call options of convertible bonds	-	-	2,700	2,700
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	28,170	28,170
	<u>\$ 3,972</u>	<u>\$ -</u>	<u>\$ 31,594</u>	<u>\$ 35,566</u>

Financial liabilities: None.

March 31, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 1,526	\$ -	\$ 1,078	\$ 2,604
Call options of convertible bonds	-	-	-	-
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	58,788	58,788
	<u>\$ 1,526</u>	<u>\$ -</u>	<u>\$ 59,866</u>	<u>\$ 61,392</u>

Financial liabilities: None.

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

i. The instruments whose fair values are measured using quoted market prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed stocks</u>
Market quoted price	Closing price

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.
- E. For the three-month periods ended March 31, 2026 and 2025, there was no transfer between Level 1 and Level 2.
- F. The following table is the movement of Level 3 for the three-month periods ended March 31, 2026 and 2025:

	2026		2025	
	Equity instrument	Call options of convertible bonds	Equity instrument	Call options of convertible bonds
At January 1	\$ 28,894	\$ 2,700	\$ 68,690	\$ 100
Acquired in the period	220	-	-	-
Disposed of in the period	(146)	-	-	-
Valuation adjustment	2,665	(2,609)	(8,824)	(100)
At March 31	<u>\$ 31,633</u>	<u>\$ 91</u>	<u>\$ 59,866</u>	<u>\$ -</u>

- G. The valuation techniques applied for fair value measurements are classified as Level 3 within the fair value hierarchy, and are used to verify the independently determined 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 calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.
- H. The following table provides quantitative information on significant unobservable inputs and the sensitivity analysis of changes in those inputs used in the valuation models for Level 3 fair value measurements:

	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 shares	\$ 741	Market comparable companies	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	30,672	Market comparable companies	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	220	Recent transaction price	None	None	None
Financial assets at fair value through profit or loss -call options of convertible bonds	91	Binomial tree pricing model for convertible bonds	Stock price volatility	70.19%	The higher the volatility, the lower the fair value
	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 shares	\$ 724	Market comparable companies	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	28,170	Market comparable companies	Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	-	Market comparable companies	Discount for lack of marketability	45%	The higher the discount for lack of marketability, the lower the fair value
Financial assets at fair value through profit or loss -call options of convertible bonds	2,700	Binomial tree pricing model for convertible bonds	Stock price volatility	54.78%	The higher the volatility, 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
Non-derivative equity instrument:					
Unlisted shares	\$ 1,078	Market comparable companies	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	10,226	Market comparable companies	Discount for lack of marketability	45%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	48,562	Recent transaction price	None	None	None
Financial assets at fair value through profit or loss -call options of convertible bonds	-	Binary tree convertible evaluation model	Stock price volatility	37.75%	The higher the volatility, the lower the fair value

I. The Group has carefully assessed the valuation models and assumptions used in measuring fair value. However, the use of different valuation models or assumptions may result in different fair value measurements. The following table sets out the potential impact on profit or loss and other comprehensive income from financial assets classified as Level 3, arising from reasonably possible changes in significant unobservable inputs used in the valuation models:

		March 31, 2026				
			Recognised in profit or loss		Recognised in other comprehensive income	
			Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets Equity instrument	Discount for lack of marketability	± 10%	\$ 32	(\$ 32)	\$ 1,315	(\$ 1,315)
Financial assets at fair value through profit or loss - call options of convertible bonds	Volatility	± 2%	\$ 10	(\$ 13)	\$ -	\$ -

			December 31, 2025			
			Recognised in profit or loss		Recognised in other comprehensive income	
			Favorable change	Unfavorable change	Favorable change	Unfavorable change
	Input	Change				
Financial assets	Discount for					
Equity instrument	lack of					
	marketability	± 10%	\$ 31	(\$ 31)	\$ 704	(\$ 704)
Financial assets at						
fair value through						
profit or loss - call						
options of						
convertible bonds	Volatility	± 2%	\$ 400	\$ -	\$ -	\$ -
March 31, 2025						
			Recognised in profit or loss		Recognised in other comprehensive income	
			Favorable change	Unfavorable change	Favorable change	Unfavorable change
	Input	Change				
Financial assets	Discount for					
Equity instrument	lack of					
	marketability	± 10%	\$ 46	(\$ 46)	\$ 837	(\$ 837)
Financial assets at						
fair value through						
profit or loss - call						
options of						
convertible bonds	Volatility	± 1%	\$ -	\$ -	\$ -	\$ -

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): Please refer to table 1.
- D. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: None.
- E. Receivables from related parties reaching NT\$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): Please refer to table 2.

(3) Information on investments in Mainland China

- A. Basic information: Please refer to table 3.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

14. OPERATING SEGMENT INFORMATION

(1) General information

The Group operates business only in a single industry. The Chief Operating Decision-Maker, who allocates resources and assesses performance of the Group as a whole, has identified that the Group has only one reportable operating segment.

(2) Segment information

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

	Three-month periods ended March 31,	
	2026	2025
Revenue from external customers	\$ 7,266,900	\$ 2,902,935
Segment profit (loss) before income tax	\$ 2,352,467	(\$ 77,474)
	March 31, 2026	March 31, 2025
Segment assets	\$ 20,073,767	\$ 17,541,857
Segment liabilities	\$ 7,169,155	\$ 7,609,140

(3) Reconciliation for segment income (loss):

As the segment assets, liabilities and profit (loss) before tax reported by the Group to the operating decision-maker are in agreement with those in the consolidated balance sheets and consolidated statements of comprehensive income, thus reconciliation is not needed.

ELITE SEMICONDUCTOR MICROELECTRONICS TECHNOLOGY INC. AND SUBSIDIARIES

Holding of marketable securities at the end of the period

March 31, 2026

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Name and category of marketable securities	Relationship with the securities issuer	Financial Statement Account	As at March 31, 2026				
				Number of shares	Book value (Note 1)	Ownership (%)	Fair value (Note 1)	Footnote
Charng Feng Investment Ltd.	M2 Communication Inc. stock	None	Financial assets at fair value through profit or loss	100,542	741	0.66	741	
Charng Feng Investment Ltd.	Powerchip Semiconductor Manufacturing Corporation	None	Financial assets at fair value through profit or loss	100,426	5,333	0.00	5,333	
Charng Feng Investment Ltd.	StorArt Technology Co. Ltd, common stock	None	Financial assets at fair value through other comprehensive income	1,000,000	30,672	1.95	30,672	
Jie Young Investment Ltd.	Elite Semiconductor Microelectronics Technology Inc. stock	Parent Company	Financial assets at fair value through other comprehensive income	14,000,000	2,100,000	4.80	2,100,000	

Note 1: Valuation adjustments of financial assets included.

ELITE SEMICONDUCTOR MICROELECTRONICS TECHNOLOGY INC. AND SUBSIDIARIES

Information on investees (exclude investees in Mainland China)

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 (Note)		Shares held as at March 31, 2026					Footnote
				Balance as at March 31, 2026	Balance as at December 31, 2025	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the three-month period ended March 31, 2026	Share of profit (loss) of investees for the three-month period ended March 31, 2026	
Elite Semiconductor Microelectronics Technology Inc.	Elite Semiconductor Memory Technology Inc.	Taiwan	Research and development, production, sales and related consulting services of integrated circuits	\$ 272	\$ 272	100,000	100	\$ 16,888	(\$ 1,157)	(\$ 1,157)	
Elite Semiconductor Microelectronics Technology Inc.	Chang Feng Investment Ltd.	Taiwan	Investment activities	500,000	500,000	50,000,000	100	580,984	5,302	5,302	
Elite Semiconductor Microelectronics Technology Inc.	Elite Investment Services Ltd.	British Virgin Islands	Investment activities	31,995	31,995	1	100	58,978	906	906	
Elite Semiconductor Microelectronics Technology Inc.	Jie Young Investment Ltd.	Taiwan	Investment activities	270,000	270,000	3,600,000	41.86	147,789	13,902	(41)	
Elite Semiconductor Microelectronics Technology Inc.	Eon Silicon Solutions, Inc. USA	U.S.A.	Product design, development and testing	13,304	13,304	200,000	100	197	1,509	1,509	
Chang Feng Investment Ltd.	Elite Memory Technology Inc.	Taiwan	Product design, wholesale and retail of electronic materials, manufacturing of electronic components, information software services and international trade	180,174	180,174	10,000,000	100	27,705	750	750	
Chang Feng Investment Ltd.	Canyon Semiconductor Inc.	Taiwan	International trade, manufacturing of electronic components, product design and information software services	128,287	128,287	8,350,000	36.50	145,453	1,882	687	
Chang Feng Investment Ltd.	Elite Innovation Japan Ltd.	Japan	Product design, wholesale and retail of electronic materials, manufacturing of electronic components, information software services and international trade	2,372	2,372	200	100	3,055	539	539	
Chang Feng Investment Ltd.	CHI Microelectronics Limited	Hong Kong	General trading	816	816	20,000	100	4,039	60	60	
Chang Feng Investment Ltd.	Genion Innovation Ltd.	Taiwan	Investment activities	715	-	48,000	48	715	-	-	

Note : The foreign investment amount was translated at the exchange rate as at March 31, 2026.

ELITE SEMICONDUCTOR MICROELECTRONICS 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 (Note 4)	Investment method (Note1)	Accumulated amount of remittance from Taiwan to Mainland China as at January 1, 2026	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the three-month period ended March 31, 2026		Accumulated amount of remittance from Taiwan to Mainland China as at March 31, 2026	Net income (loss) of investee for the three-month period ended March 31, 2026	Ownership held by the Company (direct or indirect)	Share of profit (loss) of investees for the three- month period ended March 31, 2026 (Note 2)	Book value of investment in Mainland China as at March 31, 2026	Accumulated amount of investment income remitted back to Taiwan as at March 31, 2026	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Elite Semiconductor Microelectronics Technology (shenzhen) Inc.	Trading of goods, provision of technical services, development and sale of networking, storage, and peripheral products, integrated circuit consulting services, and after-sales services.	\$ 97,248	(1)	\$ 97,248	\$ -	\$ -	\$ 97,248	\$ 376	100%	\$ 376	\$ 98,583	\$ -	Note 5
Elite Semiconductor Microelectronics (Shanghai) Technology Inc.	Product design, wholesale and retail of electronic materials, information software services and international trade	6,399	(1)	6,399	-	-	6,399	642	100%	642	12,393	-	Note 6
Elite Semiconductor Microelectronics Technology (Xian) Inc.	Product design, wholesale and retail of electronic materials, information software services and international trade	2,315	(3)	-	-	-	-	205	100%	205	1,961	-	
Company name	Accumulated amount of remittance from Taiwan to Mainland China as at March 31, 2026	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)(Note 6)	Ceiling of investments in Mainland China imposed by the Investment Commission of MOEA										
Charmg Feng Investment Ltd.	\$ 103,647	\$ 103,647	\$ 348,590										

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
- (3) Others.

Note 2: Investment income (loss) was recognised based on financial statements prepared by each company which were not reviewed by independent auditors.

Note 3: The amount of the statement should show as New Taiwan dollars.

Note 4: Paid-in capital and investment amount translated at the exchange rate as at March 31, 2026.

Note 5: The Company's subsidiary, Charmg Feng Investment Ltd., obtained the revised investment amount of USD 39,485.42, USD 2,500,000, and USD 500,000 approved by the Investment Commission, MOEA on February 6, 2020, July 10, 2020 and November 30, 2021, respectively.

Note 6: The Company's subsidiary, Charmg Feng Investment Ltd., obtained the investment amount of USD 200,000 approved by the Investment Commission of MOEA on May 20, 2020.