

**ASMEDIA TECHNOLOGY INC.  
PARENT COMPANY ONLY FINANCIAL  
STATEMENTS AND INDEPENDENT AUDITORS'  
REPORT  
DECEMBER 31, 2025 AND 2024**

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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' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of ASMEDIA TECHNOLOGY INC.

### ***Opinion***

We have audited the accompanying balance sheets of ASMEDIA TECHNOLOGY INC. (the “Company”) as at December 31, 2025 and 2024, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the report of other auditors (please refer to the Other matter section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”.

### ***Basis for opinion***

We conducted our audits in accordance with the “Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants” and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors’ Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Key audit matters***

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2025 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2025 parent company only financial statements are stated as follows:

#### **Assessment of reasonableness of the allocation of acquisition price relative to the significant acquisition transaction**

##### Description

In June 2025, ASMEDIA TECHNOLOGY INC. acquired all the share capital of TECHPOINT, INC. The acquisition transaction was accounted for by applying the acquisition method. Refer to Note 4(30) in the consolidated financial statements for the accounting policies on the acquisition transaction, and Note 6(32) in the consolidated financial statements for the details of the acquisition transaction. This allocation of acquisition price was based on a report prepared by the external expert engaged by the management. As the price allocation involved the judgment of the management and assets (including goodwill and intangible assets) and liabilities arising from the acquisition transaction were material to the financial statements, we considered the abovementioned acquisition transaction as a key audit matter.

##### How our audit addressed the matter

We performed the following audit procedures to address the transaction of TECHPOINT, INC. and its subsidiaries:

1. Evaluated the competence and objectivity of the external appraisal expert engaged by the management.
2. Reviewed the reasonableness of original data and key assumptions adopted in the acquisition price allocation report issued by the external expert to measure the identifiable assets and liabilities. The auditor and the internal appraisal expert performed the following procedures:

- (1) Reviewed the appraisal method and calculation formulas used by the external appraisal expert.
  - (2) Reviewed expected revenue growth rates and gross margin and compared with the historical data, economic and industry forecasts.
  - (3) Reviewed the discount rate used in the valuation and compared with the rate of return from similar assets in the trade markets.
3. Reviewed the accounting treatment of this transaction and the presentation and disclosure in the financial statements.

### **Evaluation of inventories**

#### Description

Refer to Note 4(11) for the accounting policies on the evaluation of inventories, Note 5 for the uncertainty of accounting estimations and assumptions for evaluation of inventories, and Note 6(5) for the details of inventory valuation.

The Company is primarily engaged in the design, development, production, manufacture and sales of high-speed analogue circuit products.

Due to the rapid technological innovations and competition within the industry, frequent releases of new products result in potential price fluctuations and product marginalization in the market. Additionally, it also affects the estimation of net realizable values of inventories.

In response to changing markets and its development strategies, the Company adjusts its inventory levels. The Company's primary product line is high-speed analogue circuit products. As a result, the related inventory levels for the product line as mentioned above are significant. Management evaluates inventories stated at the lower of cost and net realizable value. Since the evaluation of inventories is subject to management's judgment and the accounting estimations will have significant influence on the inventory values, the evaluation of inventories has been identified as one of the key audit matters.

#### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Assessed the policy on allowance for inventory valuation loss based on our understanding of the Company's operations and industry.
2. Tested whether the basis of market value used in calculating the net realizable value

of inventory is the same as the Company's policy and validated the accuracy of net realizable value calculation of selected samples.

3. Inspected the management's individually identified out-of-date inventory list. Checked the related supporting documents and match the account.

***Other matter – Reference to the audits of other auditors***

We did not audit the parent company only financial statements of an investment accounted for using the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of this associate, is based solely on the report of the other auditors. The balance of this investment accounted for using the equity method amounted to NT\$110,533 thousand and NT\$96,037 thousand, constituting 0.28% and 0.27% of the total assets as at December 31, 2025 and 2024, respectively, and the comprehensive income recognised from associates and joint ventures accounted for using the equity method amounted to NT\$10,470 thousand and (NT\$22,904) thousand, constituting 0.32% and (0.48%) of the total comprehensive income for the years then ended, respectively.

***Responsibilities of management and those charged with governance for the parent company only financial statements***

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", and for such internal control as management determines is necessary to enable the preparation of individual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

### ***Auditors' responsibilities for the audit of the parent company only financial statements***

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the parent company only financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Yang, Huei-Tzu

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Chang, Shu-Chiung

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 5, 2026

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The accompanying parent company only 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 parent company only 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.

ASMEDIA TECHNOLOGY INC.  
PARENT COMPANY ONLY BALANCE SHEETS  
DECEMBER 31, 2025 AND 2024  
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2025		December 31, 2024		
		AMOUNT	%	AMOUNT	%	
<b>Current assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 3,923,515	10	\$ 14,598,161	41
1110	Financial assets at fair value through profit or loss - current	6(2)	235,126	1	650,659	2
1170	Accounts receivable, net	6(4)	1,374,937	4	746,140	2
1180	Accounts receivable - related parties	6(4) and 7	63,997	-	173,615	-
1200	Other receivables		3,288	-	58,087	-
130X	Inventory	6(5)	1,373,482	3	492,541	1
1410	Prepayments		64,809	-	46,392	-
11XX	<b>Total current assets</b>		<u>7,039,154</u>	<u>18</u>	<u>16,765,595</u>	<u>46</u>
<b>Non-current assets</b>						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	142,358	-	70,000	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(7)	886,183	2	833,496	2
1550	Investments accounted for using equity method	6(6)	30,419,764	77	17,425,201	49
1600	Property, plant and equipment	6(8)	471,353	1	466,573	1
1755	Right-of-use assets	6(9)	58,378	-	26,274	-
1780	Intangible assets	6(10)	243,712	1	295,271	1
1840	Deferred income tax assets	6(28)	132,963	-	146,655	1
1975	Net defined benefit asset, non-current	6(15)	578	-	428	-
1990	Other non-current assets	6(11) and 8	339,359	1	26,046	-
15XX	<b>Total non-current assets</b>		<u>32,694,648</u>	<u>82</u>	<u>19,289,944</u>	<u>54</u>
1XXX	<b>Total assets</b>		<u>\$ 39,733,802</u>	<u>100</u>	<u>\$ 36,055,539</u>	<u>100</u>

(Continued)

ASMEDIA TECHNOLOGY INC.  
PARENT COMPANY ONLY BALANCE SHEETS  
DECEMBER 31, 2025 AND 2024  
(Expressed in thousands of New Taiwan dollars)

Liabilities and equity	Notes	December 31, 2025		December 31, 2024		
		AMOUNT	%	AMOUNT	%	
<b>Current liabilities</b>						
2120	Financial liabilities at fair value through profit or loss - current	6(13)	\$ -	-	\$ 27,047	-
2130	Current contract liabilities	6(21)	40,088	-	744	-
2170	Accounts payable		380,438	1	278,168	1
2200	Other payables	6(14) and 7	2,199,906	6	1,635,554	4
2230	Current income tax liabilities		427,732	1	311,448	1
2280	Lease liabilities - current		24,872	-	21,517	-
2365	Current refund liabilities	6(17) and 7	457,123	1	361,485	1
2399	Other current liabilities		26,013	-	19,516	-
21XX	<b>Total current liabilities</b>		<u>3,556,172</u>	<u>9</u>	<u>2,655,479</u>	<u>7</u>
<b>Non-current liabilities</b>						
2570	Deferred income tax liabilities	6(28)	2,554	-	28	-
2580	Lease liabilities - non-current		32,407	-	5,489	-
25XX	<b>Total non-current liabilities</b>		<u>34,961</u>	<u>-</u>	<u>5,517</u>	<u>-</u>
2XXX	<b>Total liabilities</b>		<u>3,591,133</u>	<u>9</u>	<u>2,660,996</u>	<u>7</u>
<b>Equity attributable to owners of parent</b>						
Share capital						
3110	Common stock	6(18)	747,771	2	746,622	2
Capital surplus						
3200	Capital surplus	6(19)	20,869,680	53	19,935,434	56
Retained earnings						
3310	Legal reserve	6(20)	1,931,610	5	1,461,652	4
3350	Unappropriated retained earnings		11,764,957	30	8,817,051	24
Other equity interest						
3400	Other equity interest		828,651	1	2,433,784	7
3XXX	<b>Total equity</b>		<u>36,142,669</u>	<u>91</u>	<u>33,394,543</u>	<u>93</u>
Significant contingent liabilities and unrecorded contract commitments						
Significant events after the balance sheet date						
3X2X	<b>Total liabilities and equity</b>		<u>\$ 39,733,802</u>	<u>100</u>	<u>\$ 36,055,539</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements.

ASMEDIA TECHNOLOGY INC.  
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2025 AND 2024  
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

Items	Notes	Year ended December 31				
		2025		2024		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(21) and 7	\$ 12,021,812	100	\$ 8,081,071	100
5000	Operating costs	6(5)(26)(27) and 7	( 5,754,569)	( 48)	( 3,703,945)	( 46)
5900	Gross profit		6,267,243	52	4,377,126	54
5910	Unrealised profit from sales		( 9,220)	-	( 8,065)	-
5920	Realised profit from sales		8,065	-	11,665	-
5950	Net operating margin		6,266,088	52	4,380,726	54
	Operating expenses	6(26)(27) and 7				
6100	Selling expenses		( 164,158)	( 2)	( 120,077)	( 1)
6200	General and administrative expenses		( 372,476)	( 3)	( 431,784)	( 5)
6300	Research and development expenses		( 2,081,556)	( 17)	( 1,495,577)	( 19)
6000	Total operating expenses		( 2,618,190)	( 22)	( 2,047,438)	( 25)
6900	Operating profit		3,647,898	30	2,333,288	29
	Non-operating income and expenses					
7100	Interest income	6(22)	222,594	2	346,608	4
7010	Other income	6(23)	26,639	-	28,921	-
7020	Other gains and losses	6(24)	( 130,113)	( 1)	81,072	1
7050	Finance costs	6(25)	( 4,328)	-	( 1,402)	-
7070	Share of profit of associates and joint ventures accounted for using equity method	6(6)				
			2,394,875	20	1,456,146	18
7000	Total non-operating income and expenses		2,509,667	21	1,911,345	23
7900	<b>Profit before income tax</b>		6,157,565	51	4,244,633	52
7950	Income tax expense	6(28)	( 731,729)	( 6)	( 512,008)	( 6)
8200	<b>Profit for the year</b>		\$ 5,425,836	45	\$ 3,732,625	46
	<b>Components of other comprehensive (loss) income that will not be reclassified to profit or loss</b>					
8311	Actuarial gain on defined benefit plan	6(15)	\$ 142	-	\$ 531	-
8316	Unrealised gain on investments in equity instruments at fair value through other comprehensive income	6(7)	210,647	2	31,389	-
8317	Loss on hedging instrument that will not be reclassified to profit or loss	6(3)	( 801,713)	( 7)	-	-
8330	Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		( 478,280)	( 4)	117,329	2
8310	Other comprehensive (loss) income that will not be reclassified to profit or loss		( 1,069,204)	( 9)	149,249	2
	<b>Components of other comprehensive (loss) income that will be reclassified to profit or loss</b>					
8361	Exchange differences on translation		139,656	1	-	-
8380	Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method, components of other comprehensive (loss) income that will be reclassified to profit or loss		( 1,258,723)	( 10)	907,666	11
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		( 1,119,067)	( 9)	907,666	11
8300	<b>Total other comprehensive (loss) income for the year</b>		( \$ 2,188,271)	( 18)	\$ 1,056,915	13
8500	<b>Total comprehensive income for the year</b>		\$ 3,237,565	27	\$ 4,789,540	59
	Earnings per share(in dollars)					
9750	Basic earnings per share	6(29)	\$ 72.70		\$ 51.57	
9850	Diluted earnings per share	6(29)	\$ 72.37		\$ 51.38	

The accompanying notes are an integral part of these parent company only financial statements.

ASMEDIA TECHNOLOGY INC.  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2025 AND 2024  
(Expressed in thousands of New Taiwan dollars)

	Notes	Retained Earnings				Other Equity Interest					Total equity
		Common stock	Capital surplus, additional paid-in capital	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on remeasurements of defined benefit plan	Gains (losses) on hedging instruments	Other equity, others	
<b>Year ended December 31, 2024</b>											
Balance at January 1, 2024		\$ 693,635	\$ 9,613,449	\$ 1,237,694	\$ 5,728,699	\$ 217,180	\$ 2,128,402	(\$ 450)	\$ -	(\$ 32,820)	\$ 19,585,789
Profit for the year		-	-	-	3,732,625	-	-	-	-	-	3,732,625
Other comprehensive income (loss)		-	-	-	-	1,104,641	148,718	531	(196,975)	-	1,056,915
Total comprehensive income (loss)		-	-	-	3,732,625	1,104,641	148,718	531	(196,975)	-	4,789,540
Appropriations of 2023 retained earnings	6(20)	-	-	223,958	(223,958)	-	-	-	-	-	-
Legal reserve		-	-	223,958	(223,958)	-	-	-	-	-	-
Cash dividends		-	-	-	(1,387,270)	-	-	-	-	-	(1,387,270)
Share-based payments	6(16)	-	-	-	-	-	-	-	-	26,515	26,515
Compensation cost of employee restricted stocks		-	-	-	-	-	-	-	-	-	-
Retirement and reduction of employee restricted stocks		(13)	13	-	-	-	-	-	-	-	-
Issuance of new shares arising from global depository		53,000	10,500,673	-	-	-	-	-	-	-	10,553,673
Changes in equity of associates and joint ventures accounted for using equity method	6(6)	-	(178,701)	-	-	-	-	-	-	4,997	(173,704)
Disposal of equity instrument measured at fair value through other comprehensive income by associates		-	-	-	873,644	-	(873,644)	-	-	-	-
Disposal of equity instrument measured at fair value through other comprehensive income		-	-	-	93,311	-	(93,311)	-	-	-	-
Balance at December 31, 2024		\$ 746,622	\$ 19,935,434	\$ 1,461,652	\$ 8,817,051	\$ 1,321,821	\$ 1,310,165	\$ 81	(\$ 196,975)	(\$ 1,308)	\$ 33,394,543
<b>Year ended December 31, 2025</b>											
Balance at January 1, 2025		\$ 746,622	\$ 19,935,434	\$ 1,461,652	\$ 8,817,051	\$ 1,321,821	\$ 1,310,165	\$ 81	(\$ 196,975)	(\$ 1,308)	\$ 33,394,543
Profit for the year		-	-	-	5,425,836	-	-	-	-	-	5,425,836
Other comprehensive income (loss)		-	-	-	-	(1,119,067)	(267,633)	142	(801,713)	-	(2,188,271)
Total comprehensive income (loss)		-	-	-	5,425,836	(1,119,067)	(267,633)	142	(801,713)	-	3,237,565
Appropriations of 2024 earnings		-	-	469,958	(469,958)	-	-	-	-	-	-
Legal reserve		-	-	469,958	(469,958)	-	-	-	-	-	-
Cash dividends		-	-	-	(2,239,867)	-	-	-	-	-	(2,239,867)
Share-based payments	6(16)	-	-	-	-	-	-	-	-	-	-
Issuance of employee restricted stocks		1,150	(1,150)	-	-	-	-	-	-	-	-
Compensation cost of employee restricted stocks		-	164,871	-	-	-	-	-	-	(133,755)	31,116
Retirement and reduction of employee restricted stocks		(1)	1	-	-	-	-	-	-	-	-
Changes in equity of associates and joint ventures accounted for using equity method	6(6)	-	770,524	-	-	-	-	-	-	147,075	917,599
Disposal of equity instrument measured at fair value through other comprehensive income by associates		-	-	-	133,995	-	(133,995)	-	-	-	-
Disposal of equity instrument measured at fair value through other comprehensive income	6(7)	-	-	-	97,900	-	(97,900)	-	-	-	-
Cost of non-financial assets reclassified	6(3)	-	-	-	-	-	-	-	801,713	-	801,713
Balance at December 31, 2025		\$ 747,771	\$ 20,869,680	\$ 1,931,610	\$ 11,764,957	\$ 202,754	\$ 810,637	\$ 223	(\$ 196,975)	\$ 12,012	\$ 36,142,669

The accompanying notes are an integral part of these parent company only financial statements.

ASMEDIA TECHNOLOGY INC.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2025 AND 2024  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 6,157,565	\$ 4,244,633
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(8)(9)(26)	275,136	325,491
Amortisation	6(10)(26)	131,259	96,920
Net (gain) loss on financial assets at fair value through profit or loss	6(2)(13)	( 33,890 )	18,440
Interest expense	6(9)(12)(25)	4,328	1,402
Interest income	6(22)	( 222,594 )	( 346,608 )
Dividend income	6(23)	( 16,000 )	( 16,000 )
Share-based payments	6(16)	31,116	26,515
Share of profit of associates and joint ventures accounted for using equity method	6(6)	( 2,394,875 )	( 1,456,146 )
Unrealised (realised) from sales	6(6)	1,155	( 3,600 )
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss - current		420,017	( 532 )
Accounts receivable, net		( 628,797 )	184,084
Accounts receivable - related parties		109,618	( 40,257 )
Other receivables		( 1,081 )	( 342 )
Inventory		( 880,941 )	72,043
Prepayments		18,417	66,781
Non-current net defined benefit liability		( 8 )	-
Other non-current assets		( 6,678 )	-
Changes in operating liabilities			
Contract liabilities - current		28,875	15,944
Accounts payable		102,270	14,383
Other payables		526,505	467,884
Prepayments		16,966	-
Current refund liabilities		95,638	99,637
Other current liabilities		-	126
Non-current net defined benefit liability		-	1
Cash inflow generated from operations		3,697,167	3,770,799
Income tax paid		( 599,227 )	( 434,240 )
Interest received		278,474	290,083
Interest paid		( 4,328 )	( 1,585 )
Net cash flows from operating activities		<u>3,372,086</u>	<u>3,625,057</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of financial assets at fair value through other comprehensive income		( 59,940 )	( 49,091 )
Proceeds from disposal of financial assets at fair value through other comprehensive income		182,705	114,911
Acquisition of financial assets at fair value through profit or loss		( 70,000 )	( 120,000 )
Proceeds from disposal of financial assets at fair value through profit or loss		-	30,070
Acquisition of investments accounted for using equity method		( 12,324,009 )	( 112,998 )
Acquisition of property, plant and equipment	6(30)	( 527,082 )	( 170,958 )
Decrease (increase) in refundable deposits		2,291	( 5,325 )
Acquisition of intangible assets	6(30)	( 132,557 )	( 139,338 )
Dividends received	6(6)(23)	1,147,945	355,555
Net cash flows used in investing activities		<u>( 11,780,647 )</u>	<u>( 97,174 )</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Decrease in short-term borrowings	6(31)	-	300,000
Payment of lease liabilities	6(31)	( 26,218 )	( 26,875 )
Issuance of new shares of global depository receipt	6(18)	-	10,682,701
Payment of issuance costs for new shares - global depository receipt	6(18)	-	( 129,028 )
Cash dividends paid	6(20)	( 2,239,867 )	( 1,387,270 )
Net cash flows (used in) from financing activities		<u>( 2,266,085 )</u>	<u>8,839,528</u>
Net (decrease) increase in cash and cash equivalents		( 10,674,646 )	12,367,411
Cash and cash equivalents at beginning of year		14,598,161	2,230,750
Cash and cash equivalents at end of year		<u>\$ 3,923,515</u>	<u>\$ 14,598,161</u>

The accompanying notes are an integral part of these parent company only financial statements.

ASMEDIA TECHNOLOGY INC.  
NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

ASMEDIA TECHNOLOGY INC. (the “Company”) was incorporated as a company limited by shares in March 2004. The Company has been listed on the Taiwan Stock Exchange since December 2012. The Company is primarily engaged in the design, development, production and manufacture of high-speed analogue circuit products. ASUSTEK COMPUTER INC. is the Company’s ultimate parent company and directly/indirectly holds a 42.50% equity interest in the Company.

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

These financial statements were authorised for issuance by the Board of Directors on March 5, 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<sup>®</sup>”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2025 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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

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

These amendments require an entity to:

- A. Specific provisions of Amendments to IFRS 9 and IFRS 7, ‘Amendments to the classification and measurement of financial instruments’
  - (a) Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion, covering contractual terms that can change cash flows based on contingent events (for example, interest rates linked to ESG targets), non-recourse features and contractually-linked instruments.
  - (b) Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets), including a qualitative description of the nature of the contingent event, quantitative information about the possible changes to contractual cash flows that could result from those contractual terms and the gross carrying amount of financial assets and amortised cost of financial liabilities subject to these contractual terms.
  - (c) Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception relating to the derecognition of a financial liability (or part of a financial liability) settled through an electronic cash transfer system. Applying the exception, an entity is permitted to derecognise a financial liability at an earlier date if, and only if, the entity has initiated a payment instruction and specific conditions are met. The conditions for the exception are that the entity making the payment does not have:

- i. the practical ability to withdraw, stop or cancel the payment instruction;
- ii. the practical ability to access the cash used for settlement; and
- iii. significant settlement risk.

(d) Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The entity shall disclose the fair value of each class of investment and is no longer required to disclose the fair value of each investment. In addition, the amendments require the entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognised during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period; and any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognised during that reporting period.

(3) 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:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
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 International Accounting Standards Board
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.

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 applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### (1) Compliance statement

The financial statements of the Company have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

##### (2) Basis of preparation

A. Except for the following items, the parent company only financial statements have been prepared under the historical cost convention:

- (a) Financial assets and financial liabilities (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 Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

##### (3) Foreign currency translation

The items in the financial statements of each individual entity in the Company are measured using its functional currency, which is the currency of the primary economic environment in which the entity operates. These financial statements are presented in New Taiwan Dollars (NTD), which is the functional currency of the Company and serves as the presentation currency.

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss.

(d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'

**B. Translation of foreign operations**

(a) The operating results and financial position of all the subsidiaries and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Company retains partial interest in the former foreign associate or joint arrangement after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangement, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Company retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

**(4) Classification of current and non-current items**

**A.** Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;

(b) Assets held primarily for the purpose of trading;

(c) Assets that are expected to be realised within twelve months after the reporting period;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities for at least twelve months after the reporting period.

**B.** Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

- (a) Liabilities that are expected to be settled in the normal operating cycle;
- (b) Liabilities arising primarily from trading activities;
- (c) Liabilities that are due to be settled within twelve months after the reporting period;
- (d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(5) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

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

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:
  - (a) The objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets; and
  - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(8) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(9) Impairment of financial assets

For accounts receivable that have a significant financing component and debt instruments measured at fair value through other comprehensive income, at each reporting date, the Company recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognises the impairment provision for lifetime ECLs.

(10) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(11) Inventories

Inventories are stated at the lower of cost and net realisable value. The perpetual inventory system is adopted for inventory recognition. Cost is determined using the weighted-average method. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(12) Investments accounted for using equity method - associates

- A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
- B. Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Company are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise losses proportionate to its ownership.
- D. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

- E. When the Company loses control of a subsidiary, the Company remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are on the same basis as would be required if the related assets or liabilities were disposed of and all other comprehensive income is reclassified to profit or loss.
- F. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.
- G. The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- H. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage of the associate, the Company recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- I. Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- J. In the case that an associate issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.
- K. Upon loss of significant influence over an associate, the Company remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.

- L. When the Company loses significant influence over an associate, the amounts of other comprehensive income and capital surplus in relation to the associate are on the same basis as would be required if the related assets or liabilities were disposed of, and all other comprehensive income and capital surplus are reclassified to profit or loss. If it retains significant influence over this associate, the amounts are reclassified to profit or loss proportionately.
- M. Pursuant to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the financial statements prepared with basis for consolidation. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the financial statements prepared with basis for consolidation.

(13) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Cost includes all expenses incurred before assets are made available for use.
- B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Instruments and equipment	2 ~ 5 years
Office equipment	3 ~ 5 years
Leasehold improvements	1 ~ 5 years

(14) Leasing arrangements (lessee) — right-of-use assets / lease liabilities

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable.

The Company subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the amount of the initial measurement of lease liability.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term.

When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

(15) Intangible assets

Intangible assets, mainly technical licencing fee and computer software, are recognised based on the acquisition cost and amortised on a straight-line basis over their estimated useful lives of 3 years.

(16) Impairment of non-financial assets

A. The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

B. The recoverable amounts of intangible assets with an indefinite useful life and intangible assets that have not yet been available for use are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

(17) Borrowings

A. Borrowings comprise long-term and short-term bank borrowings and other long-term and short-term loans. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(18) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(19) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(20) Non-hedging and embedded derivative

Non-hedging derivatives are initially recognised at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognised in profit or loss.

(21) Hedge accounting

A. At the inception of the hedging relationship, there is formal designation and documentation of the hedging relationship and the Company's risk management objective and strategy for undertaking the hedge. That documentation shall include identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements.

B. The Company's designated hedging relationship is the cash flow hedge. A hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

C. Cash flow hedges

(a) The cash flow hedge reserve associated with the hedged item is adjusted to the lower of the following (in absolute amounts):

- i. the cumulative gain or loss on the hedging instrument from inception of the hedge; and
- ii. the cumulative change in fair value of the hedged item from inception of the hedge.

(b) The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income. The gain or loss on the hedging instrument relating to the ineffective portion is recognised in profit or loss.

- (c) The amount that has been accumulated in the cash flow hedge reserve in accordance with (a) is accounted for as follows:
- i. If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the Company shall remove that amount from the cash flow hedge reserve and include it directly in the initial cost or other carrying amount of the asset or liability.
  - ii. For cash flow hedges other than those covered by i. above, that amount shall be reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or loss.
  - iii. If that amount is a loss and the Company expects that all or a portion of that loss will not be recovered in one or more future periods, it shall immediately reclassify the amount that is not expected to be recovered into profit or loss as a reclassification adjustment.
- (d) When the hedging instrument expires, or is sold, terminated, exercised or when the hedging relationship ceases to meet the qualifying criteria, if the forecast transaction is still expected to occur, the amount that has been accumulated in the cash flow hedge reserve shall remain in the cash flow hedge reserve until the forecast transaction occurs; if the forecast transaction is no longer expected to occur, the amount shall be immediately reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment.

(22) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid and are recognised as expenses in the period in which the employees render service.

B. Pensions

(a) Defined contribution plan

For the defined contribution plan, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plan

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds.

ii. Remeasurements arising on the defined benefit plan are recognised in other comprehensive income in the period in which they arise and are recorded as other equity.

iii. Past service costs are recognised immediately in profit or loss.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Company's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Company recognises expense when it can no longer withdraw an offer of termination benefits or when it recognises related restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(23) Employee share-based payment

A. For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

B. For the cash-settled share-based payment arrangements, the employee services received and the liability incurred are measured at fair value of the liability to pay for those services, and are recognised as compensation cost and liability over the vesting period. The fair value of the liability shall be remeasured at each balance sheet date until settled at the settlement date, with any changes in fair value recognised in profit or loss.

C. Restricted stocks:

(a) The grant date of the employee stock option plan is determined as the date the Company notifies the employees of such plan.

(b) Restricted stocks issued to employees are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period.

(c) For restricted stocks where those stocks do not restrict distribution of dividends to employees and employees are not required to return the dividends received if they resign during the vesting period, the Company recognises the fair value of the dividends received by the employees who are expected to resign during the vesting period as compensation cost at the date of dividends declared.

(d) For restricted stocks where employees do not need to pay to acquire those stocks, if employees resign during the vesting period, they must return the stocks to the Company and the Company will redeem without consideration, in accordance with the terms of restricted stocks.

(24) Income taxes

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

(25) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(26) Dividends

The Company distributes dividends to shareholders, and the treatment is as follows: Cash dividends are classified as liabilities and are recognised in the financial statements once the distribution of cash dividends is resolved by the Board of Directors. In addition, stock dividends are classified as stock dividends to be distributed and are recognised in the financial statements upon approval by the shareholders, and stock dividends will be reclassified as common shares at the effective date of the issuance of new shares.

(27) Revenue recognition

Sales of goods

- A. The Company manufactures and sells high-speed analogue circuit products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the buyer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.
- B. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated business tax, sales returns and volume discounts. Products are often sold with volume discounts based on accumulated experience. A refund liability is recognised for expected sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. No element of financing is deemed present as the control is transferred with a credit term of 30 to 60 days after delivery date, which is consistent with market practice.
- C. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(28) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments.

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

The preparation of these financial statements does not require management to make critical judgements in applying the Company's accounting policies. The management makes critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Information on critical accounting estimates and assumptions uncertainty is as follows:

### Critical accounting estimates and assumptions

The Company makes accounting estimates in applying reasonable expectation concerning future events. However, assumptions and estimates may differ from the actual results. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

#### Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Company must determine the net realisable value of inventories on balance sheet date using judgements and estimates. As the technology rapidly changes, the life cycles of electronic products are short, and the inventory is easily affected by market price, there is a higher risk of inventory losing value or becoming obsolete. The Company reduces inventory cost to the net realisable value due to normal spoilage, obsolescence and inventory having no marketing value at the balance sheet date. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

As of December 31, 2025, the carrying amount of inventories was \$1,373,482.

## 6. DETAILS OF SIGNIFICANT ACCOUNTS

### (1) Cash and cash equivalents

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Cash on hand	\$ 90	\$ 90
Checking accounts and demand deposits	1,923,425	2,358,346
Time deposits	<u>2,000,000</u>	<u>12,239,725</u>
	<u>\$ 3,923,515</u>	<u>\$ 14,598,161</u>

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

B. The Company's restricted cash and cash equivalents were reclassified as other financial assets (shown as "other non-current assets"). Refer to Note 8 for more information.

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

Items	December 31, 2025	December 31, 2024
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Open-end fund	\$ 229,234	\$ 634,977
Valuation adjustments	5,892	15,682
	\$ 235,126	\$ 650,659
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Private placement funds	\$ 140,000	\$ 70,000
Valuation adjustments	2,358	-
	\$ 142,358	\$ 70,000

A. Amounts recognised in profit or loss and other comprehensive income in relation to financial assets at fair value through profit or loss are as follows:

	Year ended December 31	
	2025	2024
Financial assets mandatorily measured at fair value through profit or loss		
Open-end funds	\$ 4,485	\$ 8,607
Private placement funds	2,358	-
	\$ 6,843	\$ 8,607

B. Information relating to credit risk is provided in Note 12(2).

(3) Hedging financial assets and liabilities

A. The Company adopts hedge accounting to eliminate the accounting inconsistency that arises when the hedged item and hedging instrument impact profit or loss in different periods, which otherwise prevents a faithful representation of the hedging effect under its risk management strategy. The Company designates U.S. dollar bank deposits to hedge the expected U.S. dollar payment for signed acquisition transactions, thereby mitigating the risk caused by exchange rate fluctuations prior to the anticipated transaction.

B. Cash flow hedge:

	<u>2025</u>	<u>2024</u>
<u>Other equity - cash flow hedge reserve</u>		
At January 1	\$ -	\$ -
Less: (Losses) gains on hedge effectiveness- amount recognised in other comprehensive income	( 801,713)	-
Add: Adjustments for cost of non-financial assets	<u>801,713</u>	-
At December 31	<u>\$ -</u>	<u>\$ -</u>

Exchange rate risk

The Company designates the foreign currency risk components of non-derivative financial assets, arising from anticipated business combinations, as hedging instruments to mitigate the impact of exchange rate risk. The hedging ratio is 1:1. Changes in the fair value of the hedging instruments that are effective are deferred and recognised under other comprehensive income as cash flow hedge reserves. When the hedged items are subsequently accounted for using the equity method, the related amounts are directly included in the acquisition cost.

(4) Accounts receivable

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Accounts receivable	\$ 1,375,082	\$ 746,285
Accounts receivable - related parties	63,997	173,615
Less: Allowance for uncollectible accounts	( 145)	( 145)
	<u>\$ 1,438,934</u>	<u>\$ 919,755</u>

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Not past due	\$ 1,434,282	\$ 919,815
Up to 90 days	<u>4,797</u>	<u>85</u>
	<u>\$ 1,439,079</u>	<u>\$ 919,900</u>

The above ageing analysis was based on past due date.

B. As of December 31, 2025, December 31, 2024 and January 1, 2024, the balances of receivables from contracts with customers amounted to \$1,439,079, \$919,900 and \$1,063,727, respectively.

C. No accounts receivable was pledged to others as collateral.

D. As of December 31, 2025 and 2024, 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 Company's accounts receivable was \$1,438,934 and \$919,755, respectively.

E. Information relating to credit risk is provided in Note 12(2).

(5) Inventories

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Raw materials	\$ 160,888	\$ 47,169
Work in process	532,565	199,100
Finished goods	<u>680,029</u>	<u>246,272</u>
	<u>\$ 1,373,482</u>	<u>\$ 492,541</u>

The cost of inventories recognised as expense for the years ended December 31, 2025 and 2024 was \$5,754,569 and \$3,703,945, of which (\$153,500) and (\$47,000) pertain to the recovery in value of inventories for the years ended December 31, 2025 and 2024, respectively. The realisable value of inventory has increased which was accounted for as reduction of cost of goods sold because some inventories with allowance for valuation loss were sold during the year ended December 31, 2025.

(6) Investments accounted for using equity method

	<u>2025</u>	<u>2024</u>
At January 1	\$ 17,425,201	\$ 13,657,281
Increase in investments accounted for using equity method	12,412,536	1,796,438
Share of profit or loss of investments accounted for using equity method	2,394,875	1,456,146
(Unrealised) realised sales profit	( 1,155)	3,600
Earnings distribution of investments accounted for using equity method	( 1,131,945)	( 339,555)
Changes in capital surplus	770,524	( 178,701)
Changes in other equity items	<u>( 1,450,272)</u>	<u>1,029,992</u>
At December 31	<u>\$ 30,419,764</u>	<u>\$ 17,425,201</u>
	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Subsidiary		
-TECHPOINT, INC.	\$ 12,849,095	\$ -
Associates:		
WT MICROELECTRONICS CO., LTD.	17,460,136	17,329,164
XINPAL PTE. LTD.	<u>110,533</u>	<u>96,037</u>
	<u>\$ 30,419,764</u>	<u>\$ 17,425,201</u>

Associate

A. Please refer to Note 4(3) in the consolidated financial statements for the year ended December 31, 2025 for the information regarding the Company's subsidiaries.

B. The basic information of the associate that is material to the Company is as follows:

Company name	Principal place of business	Shareholding ratio (Note)		Nature of relationship	Method of measurement
		December 31, 2025	December 31, 2024		
WT MICROELECTRONICS CO., LTD.	Taiwan	14.94%	16.90%	Has significant influence	Equity method

(a) On April 21, 2020, the Company issued new shares in exchange for 22.39% equity interest in WT MICROELECTRONICS CO., LTD. and obtained significant influence over the associate. Consequently, the Company recognised a gain arising from the bargain purchase transaction, which was determined based on a purchase price allocation report issued by an independent valuation company.

Note : WT MICROELECTRONICS CO., LTD. issued convertible bonds in the subsequent period which resulted in a change in ownership. The Company did not hold any convertible bonds.

(b) The Company conducted a strategic cooperation with WT MICROELECTRONICS CO., LTD. to combine the strengths of both companies with the objective of enhancing the competitiveness of both parties, planning for next-generation high speed serial communication interface and custom-made chips as well as increasing its share in the PC market in China.

C. The summarised financial information of the associate that is material to the Company is as follows:

Balance sheet

	WT MICROELECTRONICS CO., LTD.	
	December 31, 2025	December 31, 2024
Current assets	\$ 464,077,827	\$ 351,986,234
Non-current assets	63,482,363	60,504,052
Current liabilities	( 369,977,067)	( 240,334,886)
Non-current liabilities	( 39,644,816)	( 68,292,128)
Total net assets	<u>\$ 117,938,307</u>	<u>\$ 103,863,272</u>
Fair value adjustment of other intangible net assets and tangible net assets	( 821,933)	( 577,257)
Total net assets after adjustment	<u>\$ 117,116,374</u>	<u>\$ 103,286,015</u>
Share in associate's net assets	\$ 17,461,291	\$ 17,325,565
(Unrealised) realised sales (loss) profit	( 1,155)	3,599
Carrying amount of the associate	<u>\$ 17,460,136</u>	<u>\$ 17,329,164</u>

Statement of comprehensive income

	<u>WT MICROELECTRONICS CO., LTD.</u>	
	<u>Year ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Revenue	\$ 1,177,948,907	\$ 959,431,897
Profit for the year from continuing operations	\$ 13,321,795	\$ 8,961,409
Other comprehensive (loss) income, net of tax	( 12,140,237)	6,069,958
Total comprehensive income	<u>\$ 1,181,558</u>	<u>\$ 15,031,367</u>
Dividends received from associates	<u>\$ 1,131,945</u>	<u>\$ 339,555</u>

D. The Company's material associate, WT MICROELECTRONICS CO., LTD., has quoted market prices. As of December 31, 2025 and 2024, the fair value was \$25,854,698 and \$20,759,246, respectively.

E. The Company is the single largest shareholder of WT MICROELECTRONICS CO., LTD with a 14.94 % equity interest as of December 31, 2025. Given that WT MICROELECTRONICS CO., LTD.'s other large shareholders hold more shares than the Company, which indicates that the Company has no current ability to direct the relevant activities of WT MICROELECTRONICS CO., LTD., the Company has no control, but only has significant influence, over the investee.

F. The carrying amount of the Company's interests in all individually immaterial associates and the Company's share of the operating results are summarised below:

(a) The Company acquired a total of 30% equity interest in XINPAL PTE. LTD. for a total amount of \$112,998 in cash on April 15, 2024 and June 5, 2024, thereby gaining significant influence over the entity. As of December 31, 2025 and 2024, the Company held 29.7% and 30% equity interest in the company, respectively.

(b) As of December 31, 2025 and 2024, the carrying amount of the Company's individually immaterial associate amounted to \$110,533 and \$96,037, respectively.

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Total comprehensive income (loss)	<u>\$ 10,470</u>	<u>(\$ 22,904)</u>

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

<u>Items</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Equity instruments		
Listed stocks	\$ 561,400	\$ 477,400
Unlisted stocks	194,031	338,091
Valuation adjustment	<u>130,752</u>	<u>18,005</u>
	<u>\$ 886,183</u>	<u>\$ 833,496</u>

- A. The Company has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$886,183 and \$833,496 as at December 31, 2025 and 2024, respectively.
- B. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Year ended December 31	
	2025	2024
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 210,647	\$ 31,389
Cumulative losses reclassified to retained earnings due to derecognition	(\$ 97,900)	(\$ 93,311)

(8) Property, plant and equipment

	Instruments and equipment	Office equipment	Leasehold improvements	Total
<u>At January 1, 2025</u>				
Cost	\$ 1,000,545	\$ 31,672	\$ 1,810	\$ 1,034,027
Accumulated depreciation and impairment	( 558,831)	( 7,893)	( 730)	( 567,454)
	<u>\$ 441,714</u>	<u>\$ 23,779</u>	<u>\$ 1,080</u>	<u>\$ 466,573</u>
<u>2025</u>				
Opening net book amount as at January 1	\$ 441,714	\$ 23,779	\$ 1,080	466,573
Additions	228,605	26,924	-	255,529
Depreciation charge	( 244,549)	( 5,899)	( 301)	( 250,749)
Closing net book amount as at December 31	<u>\$ 425,770</u>	<u>\$ 44,804</u>	<u>\$ 779</u>	<u>\$ 471,353</u>
<u>At December 31, 2025</u>				
Cost	\$ 923,359	\$ 58,596	\$ 1,810	\$ 983,765
Accumulated depreciation and impairment	( 497,589)	( 13,792)	( 1,031)	( 512,412)
	<u>\$ 425,770</u>	<u>\$ 44,804</u>	<u>\$ 779</u>	<u>\$ 471,353</u>

	<u>Instruments and equipment</u>	<u>Office equipment</u>	<u>Leasehold improvements</u>	<u>Total</u>
<u>At January 1, 2024</u>				
Cost	\$ 1,011,853	\$ 24,958	\$ 3,608	\$ 1,040,419
Accumulated depreciation and impairment	( 458,415)	( 9,024)	( 2,226)	( 469,665)
	<u>\$ 553,438</u>	<u>\$ 15,934</u>	<u>\$ 1,382</u>	<u>\$ 570,754</u>
Opening net book amount as at January 1	\$ 553,438	\$ 15,934	\$ 1,382	\$ 570,754
Additions	183,453	11,354	-	194,807
Depreciation charge	( 295,177)	( 3,509)	( 302)	( 298,988)
Closing net book amount as at December 31	<u>\$ 441,714</u>	<u>\$ 23,779</u>	<u>\$ 1,080</u>	<u>\$ 466,573</u>
<u>At December 31, 2024</u>				
Cost	\$ 1,000,545	\$ 31,672	\$ 1,810	\$ 1,034,027
Accumulated depreciation and impairment	( 558,831)	( 7,893)	( 730)	( 567,454)
	<u>\$ 441,714</u>	<u>\$ 23,779</u>	<u>\$ 1,080</u>	<u>\$ 466,573</u>

The significant components of instruments and equipment include reticle masks and analytical instruments, which are depreciated over 2 and 2~5 years, respectively.

(9) Leasing arrangements - lessee

- A. The Company leases various assets including office spaces, vehicles and parking lots in buildings. Rental contracts are typically made for periods of 1 to 3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. Short-term leases with a lease term of 12 months or less comprise warehouses and parking lots. On December 31, 2025 and 2024, payments of lease commitments for short-term leases amounted to \$2,877 and \$2,584, respectively.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>
Buildings	\$ 55,403	\$ 19,208
Transportation equipment (Business vehicles)	<u>2,975</u>	<u>7,066</u>
	<u>\$ 58,378</u>	<u>\$ 26,274</u>

	Year ended December 31	
	2025	2024
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Buildings	\$ 20,296	\$ 20,549
Transportation equipment (Business vehicles)	4,091	5,954
	<u>\$ 24,387</u>	<u>\$ 26,503</u>

D. For the years ended December 31, 2025 and 2024, the additions to right-of-use assets were \$56,491 and \$8,420, respectively.

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

<u>Items affecting profit or loss</u>	Year ended December 31	
	2025	2024
Interest expense on lease liabilities	\$ 905	\$ 1,128
Expense on short-term lease contracts	2,877	2,584

F. For the years ended December 31, 2025 and 2024, the Company's total cash outflow for leases were \$30,000 and \$30,588, respectively.

(10) Intangible assets

	<u>Software</u>	<u>Total</u>
<u>At January 1, 2025</u>		
Cost	\$ 378,308	\$ 378,308
Accumulated amortisation and impairment	( 83,037)	( 83,037)
	<u>\$ 295,271</u>	<u>\$ 295,271</u>
<u>2025</u>		
Opening net book amount as at January 1	\$ 295,271	\$ 295,271
Additions	79,700	79,700
Amortisation charge	( 131,259)	( 131,259)
Closing net book amount as at December 31	<u>\$ 243,712</u>	<u>\$ 243,712</u>
<u>At December 31, 2025</u>		
Cost	\$ 419,255	\$ 419,255
Accumulated amortisation and impairment	( 175,543)	( 175,543)
	<u>\$ 243,712</u>	<u>\$ 243,712</u>

	<u>Software</u>	<u>Total</u>
<u>At January 1, 2024</u>		
Cost	\$ 239,638	\$ 239,638
Accumulated amortisation and impairment	( 171,206)	( 171,206)
	<u>\$ 68,432</u>	<u>\$ 68,432</u>
Opening net book amount as at January 1	\$ 68,432	\$ 68,432
Additions	323,759	323,759
Amortisation charge	( 96,920)	( 96,920)
Closing net book amount as at December 31	<u>\$ 295,271</u>	<u>\$ 295,271</u>
<u>At December 31, 2024</u>		
Cost	\$ 378,308	\$ 378,308
Accumulated amortisation and impairment	( 83,037)	( 83,037)
	<u>\$ 295,271</u>	<u>\$ 295,271</u>

A. Software mainly refers to electronic design automation software for research and development.

B. Details of amortisation charges on intangible assets are as follows:

	<u>Year ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Selling expenses	\$ 617	\$ 13
Administrative expenses	260	247
Research and development expenses	130,382	96,660
	<u>\$ 131,259</u>	<u>\$ 96,920</u>

(11) Other non-current assets

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Prepayments for land and building (Note 1)	\$ 273,731	\$ -
Guarantee deposits paid	12,675	14,966
Other receivables-proceeds from disposal of investment (Note 2)	35,195	-
Others	17,758	11,080
	<u>\$ 339,359</u>	<u>\$ 26,046</u>

Note 1 : On January 15, 2025, the Company's Board of Directors resolved to acquire real estate located at Baoyuan Section, Xindian District, from POWER INTERNATIONAL DEVELOPMENT CO., LTD. The contract was formally signed on February 6, 2025, with a total contract price of \$1,875,940. As of December 31, 2025, payments made as per the contract amounted to \$273,731.

Note 2 : On December 1, 2025, the Company disposed of its investment in Augentix Inc. Due to the company's acquisition, the escrow deposit was retained for eighteen months as per the agreement. Upon confirmation that the relevant procedures were correct, the deposit will be fully returned.

(12) Short-term borrowings

A. Interest expense recognised in profit or loss amounted to \$3,423 and \$274 for the years ended December 31, 2025 and 2024, respectively.

B. The Company has the following undrawn borrowing facilities:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Floating rate		
Expiring within one year	<u>\$ 5,351,490</u>	<u>\$ 2,458,933</u>

(13) Financial liabilities at fair value through profit or loss

<u>Items</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Current items:		
Financial liabilities held for trading		
Derivative instruments	<u>\$ -</u>	<u>\$ 27,047</u>

A. Amounts recognised in profit or loss and other comprehensive income in relation to financial liabilities at fair value through profit or loss are as follows:

	<u>2025</u>	<u>2024</u>
Net gains (losses) recognised in profit or loss		
Financial liabilities held for trading		
Derivative instruments	<u>\$ 42,343</u>	<u>(\$ 134,586)</u>

For the years ended December 31, 2025 and 2024, the Company recognised a gain (loss) of \$15,296 and (\$107,539), respectively, due to the settlement of the above forward foreign exchange contracts.

B. Explanations of the transactions and contract information in respect of derivative financial liabilities that the Group does not adopt hedge accounting are as follows:

	<u>December 31, 2024</u>	
	<u>Contract amount</u>	
	<u>(in thousands)</u>	<u>Contract period</u>
<u>Derivative financial liabilities</u>		
Forward foreign exchange contracts	<u>\$ 2,950,650</u>	<u>2024/12~2025/1</u>

(a) As of December 31, 2025, the Company held no derivative financial instruments that were not designated for hedge accounting.

(b) The Company entered into forward foreign exchange contracts which were Non-Delivery Forward to hedge exchange rate risk of assets denominated in foreign currencies. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

(14) Other payables

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Salary and bonus payable	\$ 1,168,215	\$ 647,201
Accrued employees' compensation and directors' remuneration	684,911	449,873
Accrued payment for intangible assets payable	144,102	196,959
Accrued employees' compensation of subsidiaries	46,198	-
Insurance payable	42,305	24,352
Acquisition price payable	31,826	-
Payable on property, plant and equipment	26,689	24,511
Service fees payable	5,247	183,226
Others	50,413	109,432
	<u>\$ 2,199,906</u>	<u>\$ 1,635,554</u>

(15) Pensions

A. Defined benefit plan

(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 Law. 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 the end of 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) The amounts recognised in the balance sheet are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Present value of defined benefit obligations	\$ 5,335	\$ 5,020
Fair value of plan assets	( 5,913)	( 5,448)
Net defined benefit assets	<u>(\$ 578)</u>	<u>(\$ 428)</u>



- (d) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. The composition of fair value of plan assets as of December 31, 2025 and 2024 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government. Expected return on plan assets was a projection of overall return for the obligations period, which was estimated based on historical returns and by reference to the status of Labor Retirement Fund utilisation by the Labor Pension Fund Supervisory Committee and taking into account the effect that the Fund's minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks.
- (e) The principal actuarial assumptions used were as follows:

	Year ended December 31	
	2025	2024
Discount rate	1.35%	1.65%
Future salary increases	4.00%	4.00%

Assumptions regarding future mortality experience are set based on the 5<sup>th</sup> Taiwan Standard Ordinary Experience Mortality Table for the years ended December 31, 2025 and 2024.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increase	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
<u>December 31, 2025</u>				
Effect on present value of defined benefit obligation	(\$ 229)	\$ 243	\$ 235	(\$ 224)
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
<u>December 31, 2024</u>				
Effect on present value of defined benefit obligation	(\$ 234)	\$ 249	\$ 242	(\$ 229)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

- (f) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2026 amount to \$0.
- (g) As of December 31, 2025, the weighted average duration of the retirement plan is 8 years. The analysis of timing of the future pension payment was as follows:

	<u>December 31, 2025</u>
Within 1 year	\$ 54
1-2 year(s)	516
2-5 years	383
Over 5 years	<u>5,050</u>
	<u>\$ 6,003</u>

#### B. Defined contribution plan

(a) Effective July 1, 2005, the Company has 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 contributes monthly an amount of at least 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2025 and 2024 were \$23,248 and \$21,283, respectively.

#### (16) Share-based payments

A. The Company’s share-based payment arrangements were as follows:

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Quantity granted</u>	<u>Contract period</u>	<u>Vesting conditions</u>
Restricted stocks to employees (Note 1)	2022.9.15	150 (stock in thousands)	3 years	Upon satisfaction of service and performance conditions (Note 2)
Restricted stocks to employees (Note 1)	2025.9.9	115 (stock in thousands)	4 years	Upon satisfaction of service and performance conditions (Note 3)
Restricted stocks to employees-cash settlement (Notes 4)	2020.8~ 2025.5	477 (stock in thousands)	5 years	Upon satisfaction of service

Note 1: The restricted stocks issued by the Company cannot be transferred during the vesting period, but voting right and dividend right are not restricted on these stocks. Employees are required to return the stocks but not required to return the dividends received if they resign during the vesting period.

Note 2: The maximum vesting percentage for the employee who has one, two and three years' service with the Company since the grant of restricted stocks and has achieved the performance targets set by the Company with respect to the Company's overall operating results and personal performance is 30%, 70% and 100%, respectively.

Note 3: The maximum vesting percentage for the Company's employee who has one, two, three and four years' service with the Company since the grant of restricted stocks and has achieved the performance targets set by the Company with respect to the subsidiary's overall operating results and personal performance is 10%, 40%, 70% and 100%, respectively.

Note 4: On January 15, 2025, the Company entered into a share exchange agreement with TECHPOINT, INC. Pursuant to the agreement, the unvested portions of TECHPOINT, INC.'s previously issued restricted employee stock rights plan prior to the acquisition date of June 2, 2025 (the merger reference date), will be settled at US\$20 cash per unit upon the fulfillment of the original vesting conditions after the acquisition date. The incremental fair value arising from this modification is \$180,000 (approximately US\$6,241 thousand), which the Company will recognise from the modification date to the vesting date.

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

	<u>2025</u>	<u>2024</u>
	Quantity of stocks (stock in thousands)	Quantity of stocks (stock in thousands)
Restricted stocks at January 1	44	104
Restricted stocks forfeited	-	( 2)
Restricted stocks issued	115	-
Restricted stocks vested	( 44)	( 58)
Restricted stocks at December 31	<u>115</u>	<u>44</u>

C. The fair value of stock options granted on grant date is measured based on the stock price on the grant date less the exercise price. Relevant information is as follows:

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Stock price (in dollars)</u>	<u>Exercise price (in dollars)</u>	<u>Expected option life</u>	<u>Fair value per unit (in dollars)</u>
Restricted stocks to employees	2022.09.15	\$ 821.00	-	3 years	\$ 821.00
Restricted stocks to employees	2025.09.09	1,595.00	-	4 years	1,595.00

D. Expenses incurred on share-based payment transactions are shown below:

	<u>Year ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Equity-settled	<u>\$ 31,116</u>	<u>\$ 26,515</u>

(17) Current refund liability

	December 31, 2025		
	<u>Related parties</u>	<u>Non-related parties</u>	<u>Total</u>
At January 1, 2025	\$ 241,269	\$ 120,216	\$ 361,485
Provisions for the year	192,702	193,216	385,918
Current billing request	( 129,538)	( 151,916)	( 281,454)
Exchange differences	( 8,191)	( 635)	( 8,826)
At December 31, 2025	<u>\$ 296,242</u>	<u>\$ 160,881</u>	<u>\$ 457,123</u>
	December 31, 2024		
	<u>Related parties</u>	<u>Non-related parties</u>	<u>Total</u>
At January 1, 2024	\$ 116,849	\$ 144,999	\$ 261,848
Provisions for the year	137,839	655,871	793,710
Current billing request	( 22,457)	( 685,267)	( 707,724)
Exchange differences	9,038	4,613	13,651
At December 31, 2024	<u>\$ 241,269</u>	<u>\$ 120,216</u>	<u>\$ 361,485</u>

The Company recognises refund liabilities on products sold. Refund liabilities are estimated based on these products' historical data and other known factors. A provision is recognised as current when it is expected to be used in one year.

(18) Share capital

As of December 31, 2025, the Company's authorised capital was \$1,200,000, consisting of 120,000 thousand shares of ordinary stock (including 2,500 thousand shares reserved for employee stock options), and the paid-in capital was \$747,771 with a par value of \$10 (in dollars) per share. Proceeds from shares issued have been collected.

A. Common Stock

(a) Movements in the number of the Company's ordinary shares outstanding are as follows (unit: stock in thousands):

	<u>2025</u>	<u>2024</u>
At January 1	74,662	69,364
Issuance of new shares arising from global depository receipts	-	5,300
Issuance of Employee Restricted Stock	115	-
Retirement of restricted stocks	-	( 2)
At December 31	<u>74,777</u>	<u>74,662</u>

- (b) In order to reward employees who stay with the Company and have a good performance, the shareholders during their meeting on July 23, 2021 adopted a resolution to issue employee restricted ordinary shares without consideration of 150 thousand shares with a par value of \$10 (in dollars) per share. The issuance has been approved to be effective on October 13, 2021 by the Financial Supervisory Commission. On August 8, 2022, the Board of Directors has approved to issue the employee restricted shares of 150 thousand shares with the effective date set on September 15, 2022. The employee restricted ordinary shares issued are subject to certain transfer restrictions before their vesting conditions are met. Other than these restrictions, the rights and obligations of these shares issued are the same as other issued ordinary shares. As of December 31, 2025, all the restricted stock granted to employees have fully met the vesting conditions.
- (c) In order to reward employees who stay with the Company and have a good performance, the shareholders during their meeting on June 16, 2023 adopted a resolution to issue employee restricted ordinary shares without consideration of 250 thousand shares with a par value of \$10 (in dollars) per share. The issuance has been approved to be effective on October 27, 2023 by the Financial Supervisory Commission. The employee restricted ordinary shares issued are subject to certain transfer restrictions before their vesting conditions are met. Other than these restrictions, the rights and obligations of these shares issued are the same as other issued ordinary shares. On August 7, 2025, the Board of Directors has approved to issue the first employee restricted shares of 115 thousand shares with the effective date set on September 9, 2025.

#### B. Global Depositary Receipts

On April 18, 2024 and April 24, 2024, the shareholders and the Board of Directors of the Company resolved to increase capital by issuing global depository receipts in order to meet the capital requirements for the acquisition of machinery equipment and software, research and development capital expenditures, research and development expenses and purchase of raw materials denominated in foreign currency. The capital increase was approved by the Financial Supervisory Commission on May 21, 2024. The Company issued the global depository receipts at the Luxembourg Stock Exchange amounting to 5,300 thousand units, at a price of US\$62.21 (in dollars) per unit, on May 31, 2024, which comprised 5,300 thousand common shares. The issuance amount, net of cost of issuance, was \$10,553,731 (US\$326,086 thousand), and each unit represents 1 share of the Company's common share.

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

(20) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the total capital, and appropriate or reverse a special reserve as required by the operating needs of the Company or regulations when necessary. The remainder, if any, along with beginning unappropriated earnings comprise the accumulated distributable earnings which shall be proposed by the Board of Directors and resolved by the shareholders at the shareholders' meeting if earnings are distributed by issuing new shares.

If the Company distributes dividends and bonus or all or part of legal reserve and capital surplus in the form of cash, the resolution will be adopted if more than 2/3 of the directors attend the Board of Directors' meeting and more than 1/2 of the directors present agree which will then be reported to the shareholders.

B. The Company's dividend policy is to retain or distribute earnings in the form of shares or in cash taking into consideration the Company's financial structure, operating results as well as shareholders' benefits, balanced dividends. Expected share dividends shall be maintained between 10% and 1% of the current distributable earnings. However, cash dividends shall account for at least 10% of the total dividends.

Qualified employees, including the employees of subsidiaries of the Company meeting certain specific requirements, are entitled to receive shares or bonus. Qualification requirements are set by the Board of Directors.

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

D. On June 13, 2025 and June 18, 2024, the shareholders during their meeting approved the appropriations of 2024 and 2023 earnings, respectively. Details are as follows:

	<u>Year ended December 31, 2024</u>		<u>Year ended December 31, 2023</u>	
	<u>Amount</u>	<u>Dividends per share (in dollars)</u>	<u>Amount</u>	<u>Dividends per share (in dollars)</u>
Legal reserve appropriated	\$ 469,958		\$ 233,958	
Cash dividends distributed to shareholders	2,239,867	\$ 30.00	1,387,270	\$ 20.00

(21) Operating revenue

	Year ended December 31	
	2025	2024
Revenue from contracts with customers (IC products)	\$ 12,021,812	\$ 8,081,071

A. The Company derives revenue from the transfer of goods at a point in time. The major products are the high speed analog circuit and related products.

Year ended December 31, 2025	High speed interface controller	High speed device controller	Total
Revenue from external customer contracts	\$ 10,571,573	\$ 1,450,239	\$ 12,021,812
Timing of revenue recognition			
At a point in time	\$ 10,571,573	\$ 1,450,239	\$ 12,021,812
Year ended December 31, 2024	High speed interface controller	High speed device controller	Total
Revenue from external customer contracts	\$ 6,817,630	\$ 1,263,441	\$ 8,081,071
Timing of revenue recognition			
At a point in time	\$ 6,817,630	\$ 1,263,441	\$ 8,081,071

B. Contract liabilities

(a) As of December 31, 2025, December 31, 2024, and January 1, 2024, the Company recognised contract liabilities arising from sales revenue from contracts with customers amounting to \$40,088, \$744 and \$2,065, respectively.

(b) Revenue recognised that was included in the contract liability balance at the beginning of the year.

	Year ended December 31	
	2025	2024
Revenue recognised that was included in the contract liability balance at the beginning of the year	\$ 744	\$ 2,065

(22) Interest income

	Year ended December 31	
	2025	2024
Interest income from bank deposits	\$ 222,328	\$ 346,322
Other interest income	266	286
	\$ 222,594	\$ 346,608

(23) Other income

	Year ended December 31	
	2025	2024
Dividend income	\$ 16,000	\$ 16,000
Others	10,639	12,921
	<u>\$ 26,639</u>	<u>\$ 28,921</u>

(24) Other gains and losses

	Year ended December 31	
	2025	2024
Net currency exchange (losses) gains	(\$ 179,299)	\$ 207,051
Net gains (losses) on financial assets at fair value through profit or loss	49,186	(125,979)
	<u>(\$ 130,113)</u>	<u>\$ 81,072</u>

(25) Finance costs

	Year ended December 31	
	2025	2024
Interest expense	\$ 4,328	\$ 1,402

(26) Expenses classified based on nature

	Year ended December 31, 2025		
	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expense	\$ 122,347	\$ 1,953,754	\$ 2,076,101
Depreciation	\$ 14,742	\$ 260,394	\$ 275,136
Amortisation	\$ -	\$ 131,259	\$ 131,259

  

	Year ended December 31, 2024		
	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expense	\$ 74,611	\$ 1,279,052	\$ 1,353,663
Depreciation	\$ 19,447	\$ 306,044	\$ 325,491
Amortisation	\$ -	\$ 96,920	\$ 96,920

(27) Employee benefit expense

	Year ended December 31	
	2025	2024
Salary expenses	\$ 1,958,801	\$ 1,268,225
Labour and health insurance fees	68,585	48,246
Pension costs	23,248	21,283
Other personnel expenses	25,467	15,909
	<u>\$ 2,076,101</u>	<u>\$ 1,353,663</u>

- A. On June 13, 2025, the shareholders during their meeting resolved to amend the Articles of Incorporation of the Company. According to the Articles of Incorporation of the Company, a percentage of distributable profit of the current year shall be distributed as employees' compensation and directors' remuneration. The percentage shall not be lower than 1% for employees' compensation and shall not be higher than 1% for directors' remuneration. If the Company has accumulated deficit, earnings should be reserved to cover losses. From the amount of employee compensation referred to in the preceding paragraph, no less than 5% shall be allocated for distribution as compensation to grassroots employees. Employee compensation may be paid in the form of shares or cash. The recipients of such distribution may include employees of controlling or subsidiary companies who meet certain criteria, with such criteria to be determined by the Board of Directors. Aforementioned profit distributable as employees' compensation can be distributed in the form of shares or in cash. Qualification requirements of employees, including the employees of controlled companies or subsidiaries of the Company meeting certain specific requirements. Qualification requirements are set by the Board of Directors.
- B. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall be distributed as employees' compensation and directors' remuneration for the year ended December 31, 2024. The ratio shall not be lower than 1% for employees' compensation and shall not be higher than 1% for directors' remuneration. If the Company has accumulated deficit, earnings should be reserved to cover losses. Aforementioned employees' compensation can be distributed in cash or shares and shall be distributed to the employees of controlled companies or subsidiaries of the Company who meeting certain specific requirements.

C. For the years ended December 31, 2025 and 2024, employees' compensation was accrued at \$393,438 and \$271,801, respectively; directors' remuneration was accrued at \$19,672 and \$13,590, respectively. The aforementioned amounts were recognised in salary expenses. Employees' compensation and directors' remuneration for 2024 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2024 financial statements. Abovementioned employees' compensation will be distributed in the form of cash. Information about employees' compensation and directors' remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(28) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31	
	2025	2024
Current tax:		
Current tax on profits for the year	\$ 646,226	\$ 515,350
Tax on undistributed surplus earnings	99,488	31,417
Prior year income tax overestimation	( 30,203)	( 29,457)
Total current tax	715,511	517,310
Deferred tax:		
Origination and reversal of temporary differences	16,218	( 5,302)
Income tax expense	<u>\$ 731,729</u>	<u>\$ 512,008</u>

(b) Reconciliation between income tax expense and accounting profit:

	Year ended December 31	
	2025	2024
Tax calculated based on profit before tax and statutory tax rate	\$ 1,231,513	\$ 848,924
Tax exempt income by tax regulation	( 480,822)	( 272,700)
Effect from investment tax credits	( 88,247)	( 66,176)
Prior year income tax overestimation	( 30,203)	( 29,457)
Tax on undistributed surplus earnings	99,488	31,417
Income tax expense	<u>\$ 731,729</u>	<u>\$ 512,008</u>

B. Amounts of deferred tax assets or liabilities as a result of temporary differences, tax losses and investment tax credits are as follows:

	2025			
	<u>January 1</u>	<u>Recognised in profit or loss</u>	<u>Recognised in other comprehensive income</u>	<u>December 31</u>
Temporary differences:				
- Deferred tax assets:				
Allowance for inventory obsolescence losses	\$ 66,800	(\$ 30,700)	\$ -	\$ 36,100
Expected credit losses	29	-	-	29
Unrealised exchange loss	209	( 209)	-	-
Estimated sales discounts and allowances	70,116	20,893	-	91,009
Valuation losses on financial instruments	5,409	( 5,409)	-	-
Unrealised sales profit	1,614	230	-	1,844
Others	2,478	1,503	-	3,981
	<u>146,655</u>	<u>( 13,692)</u>	<u>-</u>	<u>132,963</u>
- Deferred tax liabilities:				
Unrealised exchange gain	-	( 2,526)	-	( 2,526)
Others	( 28)	-	-	( 28)
	<u>( 28)</u>	<u>( 2,526)</u>	<u>-</u>	<u>( 2,554)</u>
	<u>\$ 146,627</u>	<u>(\$ 16,218)</u>	<u>\$ -</u>	<u>\$ 130,409</u>

2024				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
- Deferred tax assets:				
Allowance for inventory				
obsolescence losses	\$ 76,200	(\$ 9,400)	\$ -	\$ 66,800
Expected credit losses	29	-	-	29
Unrealised exchange loss	7,345	( 7,136)	-	209
Estimated sales discounts and allowances	52,919	17,197	-	70,116
Valuation losses on financial instruments	-	5,409	-	5,409
Unrealised sales profit	2,333	( 719)	-	1,614
Others	2,527	( 49)	-	2,478
	<u>141,353</u>	<u>5,302</u>	<u>-</u>	<u>146,655</u>
- Deferred tax liabilities:				
Others	( 28)	-	-	( 28)
	<u>( 28)</u>	<u>-</u>	<u>-</u>	<u>( 28)</u>
	<u>\$ 141,325</u>	<u>\$ 5,302</u>	<u>\$ -</u>	<u>\$ 146,627</u>

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

(29) Earnings per share

	Year ended December 31, 2025		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 5,425,836	74,630	\$ 72.70
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 5,425,836	74,630	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	347	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	\$ 5,425,836	74,977	\$ 72.37
	Year ended December 31, 2024		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 3,732,625	72,376	\$ 51.57
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 3,732,625	72,376	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	148	
Restricted stocks	-	123	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	\$ 3,732,625	72,647	\$ 51.38

(30) Supplemental cash flow information

Investing activities with partial cash payments

	Year ended December 31	
	2025	2024
Purchase of property, plant and equipment	\$ 255,529	\$ 194,807
Add: Opening balance of payable on equipment	24,511	662
Ending balance of prepayment on equipment (shown as 'other non-current assets, others')	273,731	-
Less: Ending balance of payable on equipment	( 26,689)	( 24,511)
Cash paid during the year	<u>\$ 527,082</u>	<u>\$ 170,958</u>

	Year ended December 31	
	2025	2024
Purchase of intangible assets	\$ 79,700	\$ 323,759
Add: Opening balance of other payables	196,959	12,538
Less: Ending balance of other payables	( 144,102)	( 196,959)
Cash paid during the year	<u>\$ 132,557</u>	<u>\$ 139,338</u>

(31) Changes in liabilities from financing activities

	2025		
	Principal of lease liabilities	Short-term borrowings	Liabilities from financing activities
At January 1	\$ 27,006	\$ -	\$ 27,006
Changes in cash flow from financing activities	( 26,218)	-	( 26,218)
Changes in other non-cash items	56,491	-	56,491
At December 31	<u>\$ 57,279</u>	<u>\$ -</u>	<u>\$ 57,279</u>
	2024		
	Principal of lease liabilities	Short-term borrowings	Liabilities from financing activities
At January 1	\$ 45,462	\$ 300,000	\$ 345,462
Changes in cash flow from financing activities	( 26,875)	( 300,000)	( 326,875)
Changes in other non-cash items	8,419	-	8,419
At December 31	<u>\$ 27,006</u>	<u>\$ -</u>	<u>\$ 27,006</u>

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Company is controlled by ASUSTEK COMPUTER INC. (incorporated in Taiwan) which directly and indirectly holds 42.50% equity interest in the Company and is the ultimate parent of the Company.

(2) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Company</u>
ASUSTEK COMPUTER INCORPORATION (ASUS)	Ultimate parent company
TECHPOINT, INC.	Subsidiary
ASUS TECHNOLOGY INCORPORATION (ASUTC)	Affiliate company
HUA-CHENG VENTURE CAPITAL CORP. (HCVC)	"
HUA-MIN INVESTMENT CO., LTD. (HMI)	"
ASUSTEK COMPUTER (SHANGHAI) CO., LTD. (ACSH)	Associate
WT MICROELECTRONICS CO., LTD. (WT)	"
XINPAL PTE. LTD. (XINPAL)	" (Note)

Note: The Company has significant influence over the entity since June 5, 2024.

(3) Significant related party transactions

A. Operating revenue

	<u>Year ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Sales of goods:		
Ultimate parent company	\$ 717,513	\$ 518,915
Associates-WT	856,296	751,556
	<u>\$ 1,573,809</u>	<u>\$ 1,270,471</u>

The prices of sales to related parties were approximately the same with third parties. The credit term was 30 days from the first day of the month following the month of sale and was approximately the same with third parties.

B Dividend income

	<u>Year ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Associates	\$ 16,000	\$ 16,000

C. Service fees (shown as 'operating cost and operating expenses')

	<u>Year ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Ultimate parent company and its subsidiaries	\$ 9,332	\$ 2,690
Associates	4,973	5,046
	<u>\$ 14,305</u>	<u>\$ 7,736</u>

Related parties provided management services to the research segment of the Company and charged a fee based on mutual agreement. The Company paid monthly expenses to related parties based on the contract.

D. Receivables from related parties

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Accounts receivable:		
Ultimate parent company	\$ 25,387	\$ 148,234
Associates-WT	<u>38,610</u>	<u>25,381</u>
	<u>\$ 63,997</u>	<u>\$ 173,615</u>

The receivables from related parties arise mainly from sale transactions. The receivables are unsecured in nature and bear no interest.

E. Payables to related parties and refund liabilities (shown as ‘Other current liabilities’)

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Other payables (Note 1):		
Ultimate parent company	\$ 476	\$ 855
Subsidiary	78,024	-
Associates		
- ACSH	1,199	-
Affiliate company	<u>302</u>	<u>1,239</u>
	<u>\$ 80,001</u>	<u>\$ 2,094</u>
	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Refund liabilities - current (Note 2):		
Ultimate parent company	\$ 276,748	\$ 218,465
Associates-WT	<u>19,494</u>	<u>22,804</u>
	<u>\$ 296,242</u>	<u>\$ 241,269</u>

Note 1: Payables to related parties mainly arose from purchase of miscellaneous equipment by related parties on behalf of the Company, acquisition price payable and accrued employees’ compensation of subsidiaries. The payables bear no interest.

Note 2: Refund liabilities mainly pertain to liabilities from sales returns and discounts.

F. Property transactions

Acquisition of financial assets:

	<u>Year ended December 31, 2024</u>			
	<u>Accounts</u>	<u>No. of shares (thousands)</u>	<u>Object</u>	<u>Consideration</u>
Associates-XINPAL	Investments accounted for using equity method	37,500	Stock	<u>\$ 112,998</u>

(4) Key management compensation

	Year ended December 31	
	2025	2024
Salaries and other short-term employee benefits	\$ 437,584	\$ 287,719
Post-employment benefits	432	432
	<u>\$ 438,016</u>	<u>\$ 288,151</u>

8. PLEDGED ASSETS

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

Pledged asset	Book value		Purpose
	December 31, 2025	December 31, 2024	
Pledged time deposits (shown as 'other non-current assets')	<u>\$ 3,000</u>	<u>\$ 3,000</u>	Customs duty guarantee

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

Except for Note 6(11), as of December 31, 2025 and 2024, the outstanding amounts due for the purchase of instruments and equipment payable within one year were \$2,833 and \$0, respectively.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

(1) On January 15, 2026, the board of directors of WT Microelectronics Co., Ltd. resolved to redeem all of its Class A Preferred Stock held by the Company at the original issue price. The record date for the capital reduction was set for February 26, 2026, and on that date, the Company received the payment amounting to \$400,000.

(2) On March 5, 2026, the Company's Board of Directors passed a resolution to repurchase the Company's own common stock in order to maintain the Company's credit standing and protect shareholder interests. The plan is to repurchase a projected 900,000 shares within a price range of NT\$896 to NT\$1,939 per share.

## 12. OTHERS

### (1) Capital management

The Company's objective is to safeguard the Company's ability to continue as a going concern and growth and to provide sufficient returns to shareholders through maintaining an optimal capital structure to reduce the cost of capital. The Company's capital structure management strategy is based on the Company's industrial scale, future growth ability of the industry, product development plans, projected production capacity and capital expenditure requirements. A comprehensive plan is then made based on the above to determine the adequate capital structure of the Company.

The management reviews the Company's capital structure periodically and considers the costs and risks involved for a particular capital structure. Generally, the Company adopts a prudent risk management strategy.

### (2) Financial instruments

#### A. Financial instruments by category

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Financial assets</u>		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss - current	\$ 235,126	\$ 650,659
Financial assets mandatorily measured at fair value through profit or loss - non-current	142,358	70,000
Financial assets at fair value through other comprehensive income	886,183	833,496
Financial assets at amortised cost		
Cash and cash equivalents	3,923,515	14,598,161
Accounts receivable (including related parties)	1,438,934	919,755
Other receivables	3,288	58,087
Guarantee deposits paid (shown as 'other non-current assets')	12,675	14,966
Pledged time deposits (shown as 'other non-current assets')	3,000	3,000
	<u>\$ 6,645,079</u>	<u>\$ 17,148,124</u>

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Financial liabilities</u>		
Financial liabilities at fair value through profit or loss		
Financial liabilities mandatorily measured at fair value through profit or loss	\$ -	\$ 27,047
Financial liabilities at amortised cost		
Accounts payable	380,438	278,168
Other payables (including related parties)	2,199,906	1,626,854
Other current liabilities	26,013	19,517
	<u>\$ 2,606,357</u>	<u>\$ 1,951,586</u>
Lease liabilities	<u>\$ 57,279</u>	<u>\$ 27,006</u>

#### B. Financial risk management policies

- (a) The Company has adopted adequate risk management and control system to identify, evaluate and control all risks including market risk, credit risk, liquidity risks and cash flow risks in order for the management to control and evaluate these risks effectively.
- (b) The financial segment manager assesses the risk control periodically and reports to the Board of Directors any unusual or significant risks identified.

#### C. Significant financial risks and degrees of financial risks

##### (a) Market risk

##### Exchange rate risk

- i. The Company operates internationally and is exposed to exchange rate risk arising from the transactions of the Company used in various functional currency, primarily with respect to the USD. Exchange rate risk arises from future commercial transactions and recognised assets and liabilities.
- ii. Management has set up a policy to require the company to manage its foreign exchange risk against its functional currency. The Company is required to hedge its entire foreign exchange risk exposure with the Company treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimize the volatility of the exchange rate affecting cost of forecast inventory purchases.

- iii. Sensitivity analysis of foreign exchange risk was calculated for significant foreign currency items as of December 31, 2025 and 2024. If NTD had appreciated or depreciated by 1% to USD, net income would have decreased/increased by \$18,074 and \$110,686 for the years ended December 31, 2025 and 2024, respectively. If NTD had appreciated or depreciated by 1% to RMB, net income would have decreased/increased by \$0 and \$1,948 for the years ended December 31, 2025 and 2024, respectively.
- iv. The Company's businesses involve some non-functional currency operations. The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	<u>December 31, 2025</u>		
	<u>Foreign currency amount (In thousands)</u>	<u>Exchange rate</u>	<u>Book value (NTD)</u>
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 65,598	31.43	\$ 2,061,745
<u>Non-Monetary items</u>			
USD:NTD	\$ 412,333	31.43	\$ 12,959,628
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 8,094	31.43	\$ 254,394
	<u>December 31, 2024</u>		
	<u>Foreign currency amount (In thousands)</u>	<u>Exchange rate</u>	<u>Book value (NTD)</u>
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 349,621	32.79	\$ 11,462,324
RMB:NTD	43,490	4.48	194,767
<u>Non-Monetary items</u>			
USD:NTD	\$ 3,500	32.79	\$ 96,037
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 12,009	32.79	\$ 393,715

- v. The total exchange (loss) gain, including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2025 and 2024 amounted to (\$179,299) and \$207,051, respectively.

#### Price risk

- i. The Company'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. The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.
- ii. The Company's investments in equity securities comprise shares and open-end funds issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by \$3,775 and \$7,206, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$8,861 and \$8,334, respectively, as a result of other comprehensive income on equity investment classified as at fair value through other comprehensive income.

#### (b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortised cost.
- ii. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. According to the Company's credit policy, the Company is responsible for managing and analyzing the credit risk for each of the new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilization of credit limits is regularly monitored.
- iii. The Company adopts the following assumption under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition: If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- iv. The default occurs when the contract payments are past due over 90 days.
- v. The Company classifies customer's accounts receivable, which are all with good credit

rating, into the same group. The Company uses the forecast ability adjusting historical and timely information to develop a loss rate of 0.03%, which is used to assess the default possibility of accounts receivable. As of December 31, 2025 and 2024, concentrations of credit risk are as follows:

	<u>Client A</u>	<u>Client B</u>	<u>Others</u>	<u>Total</u>
<u>At December 31, 2025</u>				
Expected loss rate	0.03%	0.03%	0.03%	
Total book value	\$ 1,133,265	\$ 123,147	\$ 182,667	\$ 1,439,079
Loss allowance	\$ -	\$ -	(\$ 145)	(\$ 145)
	<u>Client A</u>	<u>Client B</u>	<u>Others</u>	<u>Total</u>
<u>At December 31, 2024</u>				
Expected loss rate	0.03%	0.03%	0.03%	
Total book value	\$ 530,859	\$ 34,847	\$ 354,194	\$ 919,900
Loss allowance	\$ -	\$ -	(\$ 145)	(\$ 145)

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

	<u>2025</u>	<u>2024</u>
	<u>Accounts receivable</u>	<u>Accounts receivable</u>
At January 1 and December 31	<u>(\$ 145)</u>	<u>(\$ 145)</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.
- ii. Surplus cash held by the operating entities over and above the balance required for working capital management are invested in interest bearing current accounts, time deposits, and marketable securities. The Company chooses instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts. As of December 31, 2025 and 2024, the Company held the above investment position (excluding cash and cash equivalents) of \$1,263,667 and \$1,554,155, respectively, that are expected to readily generate cash inflows for managing liquidity risk.
- iii. The table below analyses the Company's non-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. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

<u>December 31, 2025</u>	<u>Less than 1 year</u>	<u>Between 1 and 5 years</u>	<u>Over 5 years</u>	<u>Total</u>
Accounts payable	\$ 380,438	\$ -	\$ -	\$ 380,438
Other payables (including related parties)	2,199,906	-	-	2,199,906
Lease liabilities	25,521	33,378	-	58,899

Non-derivative financial liabilities:

<u>December 31, 2024</u>	<u>Less than 1 year</u>	<u>Between 1 and 5 years</u>	<u>Over 5 years</u>	<u>Total</u>
Accounts payable	\$ 278,168	\$ -	\$ -	278,168
Other payables (including related parties)	1,635,554	-	-	1,635,554
Lease liabilities	21,934	5,568	-	27,502

Derivative financial liabilities:

Forward exchange	\$ 2,950,650	\$ -	\$ -	\$ 2,950,650
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(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 Company's investment in listed stocks, beneficiary certificates and derivative instruments with quoted market prices is included in Level 1.

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

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

B. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2025 and 2024 are as follows:

December 31, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss - current				
Open-end funds	\$ 235,126	\$ -	\$ -	\$ 235,126
Financial assets at fair value through profit or loss - non-current				
Private placement funds	\$ -	\$ -	\$ 142,358	\$ 142,358
Financial assets at fair value through other comprehensive income - non-current				
Equity securities	\$ 686,460	\$ -	\$ 199,723	\$ 886,183
December 31, 2024				
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss - current				
Open-end funds	\$ 650,659	\$ -	\$ -	\$ 650,659
Financial assets at fair value through profit or loss - non-current				
Private placement funds	\$ -	\$ -	\$ 70,000	\$ 70,000
Financial assets at fair value through other comprehensive income				
Equity securities	\$ 682,630	\$ -	\$ 150,866	\$ 833,496
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss - current				
Derivatives	\$ 27,047	\$ -	\$ -	\$ 27,047

C. The methods and assumptions the Company used to measure fair value are as follows:

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

	<u>Open-end fund</u>	<u>Listed shares and emerging stocks</u>
Market quoted price	Net asset value	Transaction price

D. For the years ended December 31, 2025 and 2024, there was no transfer between Level 1 and Level 2.

E. LERAIN TECHNOLOGY CO., LTD. has been listed in the Taiwan Stock Exchange from December 2025, therefore, the Company transferred the fair value from Level 3 to Level 1 at the end of the month when the event occurred. The transferred amount was \$80,040. For the year ended December 31, 2024, the Company has no transfer into or out from Level 3.

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

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

	<u>Fair value at December 31, 2025</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity					
Unlisted shares	\$ 25,000	Most recent non-active market price	Not applicable	-	Not applicable
Private placement funds	\$ 142,358	Net asset value	Not applicable	-	Not applicable
Unlisted shares	\$ 174,723	Income approach - Discounted cash flow	Weighted average cost of capital  Discount for lack of market ability	23.28%  30%~35%	The higher the weighted average cost of capital and discount for lack of control, the lower the fair value

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity					
Unlisted shares	\$ 29,908	Market approach - Market comparable companies	Price to earnings ratio multiple	1.89%~2.5%	The higher the multiple, the higher the fair value
			Discount for lack of marketability	20%~25%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	\$ 25,000	Most recent non- active market price	Not applicable	-	Not applicable
Private placement funds	\$ 70,000	Net asset value	Not applicable	-	Not applicable
Unlisted shares	\$ 95,958	Income approach - Discounted cash flow	Weighted average cost of capital	20.45%~21.9%	The higher the weighted average cost of capital and discount for lack of control, the lower the fair value
			Discount for lack of marketability	20%~25%	

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

		December 31, 2025					
		Recognised in profit or loss		Recognised in other comprehensive income			
Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change		
Financial	Illiquidity discount	±5%	\$ -	\$ -	\$ 8,736	(\$ 8,736)	
	Weighted average cost of capital	±5%	-	-	8,736	( 8,736)	
	Not applicable	±5%	-	-	1,250	( 1,250)	
Private placement funds	Not applicable	±5%	7,118	( 7,118)	-	-	
			<u>\$ 7,118</u>	<u>(\$ 7,118)</u>	<u>\$ 18,722</u>	<u>(\$ 18,722)</u>	
		December 31, 2024					
		Recognised in profit or loss		Recognised in other comprehensive income			
Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change		
Financial	Unlisted shares	Price-to-earnings multiple	±5%	\$ -	\$ -	\$ 1,495	(\$ 1,495)
		Illiquidity discount	±5%	-	-	6,293	( 6,293)
		Weighted average cost of capital	±5%	-	-	4,798	( 4,798)
		Not applicable	±5%	-	-	1,250	( 1,250)
Private placement funds	Not applicable	±5%	3,500	( 3,500)	-	-	
			<u>\$ 3,500</u>	<u>(\$ 3,500)</u>	<u>\$ 13,836</u>	<u>(\$ 13,836)</u>	

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: None.
- B. Provision of endorsements and guarantees to others: Please refer to table 1.
- C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 2.
- D. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 3.
- E. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: None.
- F. Significant inter-company transactions during the reporting period: None.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 4.

(3) Information on investments in Mainland China

Basic information: Please refer to table 5.

14. OPERATING SEGMENT INFORMATION

Not applicable.

ASMEDIA TECHNOLOGY INC.  
Provision of endorsements and guarantees to others  
Year ended December 31, 2025

Table 1

Expressed in thousands of NTD  
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed  Company name	Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party	Maximum Balance for the Period	Outstanding endorsement/ guarantee amount as of December 31, 2025	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees by the party in Mainland China	Footnote
0	ASMEDIA TECHNOLOGY INC.	TECHPOINT, INC.	2	\$ 5,421,400	\$ 314,300	\$ 314,300	\$ 110,922	-	0.87%	\$ 7,228,534	Y	N	N	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

- (1) The Company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: The relationship between the endorser/guarantor and the endorsed/guaranteed party falls into the following six types. Please indicate the applicable type(s):

- (1) Companies with business relationships.
- (2) A subsidiary directly holding more than 50% of the common shares.
- (3) A company invested in where the combined common shareholding of the parent company and its subsidiaries exceeds 50%.
- (4) A parent company directly or indirectly holding more than 50% of the common shares through subsidiaries.

Note 3: The total amount of endorsements and guarantees provided by the company shall not exceed 20% of its net worth, and the endorsement and guarantee limit to a single enterprise shall not exceed 15% of its net worth.

ASMEDIA TECHNOLOGY INC.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2025

Table 2 Expressed in thousands of NTD  
(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account (Note 1)	As of December 31, 2025				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
ASMEDIA TECHNOLOGY INC.	MEGA DIAMOND MONEY MARKET FUND	No	1	6,971,549	\$ 92,564	-	\$ 92,564	
ASMEDIA TECHNOLOGY INC.	CAPITAL MONEY MARKET FUND	No	1	5,376,552	91,795	-	91,795	
ASMEDIA TECHNOLOGY INC.	FUBON CHI-HSIANG MONEY MARKET FUND	No	1	3,062,056	50,767	-	50,767	
ASMEDIA TECHNOLOGY INC.	PRIVATE PLACEMENT FUND (SHUIMU DEVELOPMENT FUND)	No	2	-	142,358	5.98%	142,358	
ASMEDIA TECHNOLOGY INC.	ICATCH TECHNOLOGY, INC.	No	4	4,300,000	195,220	5.70%	195,220	
ASMEDIA TECHNOLOGY INC.	WT MICROELECTRONICS CO., LTD.	Associate	4	8,000,000	411,200	-	411,200	
ASMEDIA TECHNOLOGY INC.	LERAIN TECHNOLOGY CO., LTD.	No	4	1,200,000	80,040	3.99%	80,040	
ASMEDIA TECHNOLOGY INC.	TELETRX CO.	No	4	5,230,486	60,000	16.00%	60,000	
ASMEDIA TECHNOLOGY INC.	AIONCHIP TECHNOLOGIES CO., LTD.	No	4	2,700,000	54,783	13.50%	54,783	
ASMEDIA TECHNOLOGY INC.	OMNI DESIGN TECHNOLOGIES, INC.	No	4	218,837	59,940	1.04%	59,940	
ASMEDIA TECHNOLOGY INC.	TA SHEE RESORT CO., LTD.	No	4	1	25,000	-	25,000	
TECHPOINT, INC.	U.S. TREASURY BILLS	No	3	-	672,990	-	672,990	
TECHPOINT, INC.	U.S. TREASURY NOTES	No	3	-	906,570	-	906,570	
TECHPOINT, INC.	WI TREASURY SEC.	No	3	-	18,705	-	18,705	
TECHPOINT, INC.	U.S. TREASURY NOTES	No	4	-	253,020	-	253,020	

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

ASMEDIA TECHNOLOGY INC.

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

Year ended December 31, 2025

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction			Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
				Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
ASMEDIA TECHNOLOGY INC.	ASUSTEK COMPUTER INCORPORATION	Parent company of the Company	Sales	\$ 717,513	5%	Note	Note	Note	\$ 25,387	2%	
ASMEDIA TECHNOLOGY INC.	WT MICROELECTRONICS CO., LTD.	Associate	Sales	856,296	6%	Note	Note	Note	38,610	3%	

Note: The prices of sales to related parties were approximately the same with third parties. The credit term was 30 days from the first day of the month following the month of sale and was approximately the same with third parties.

ASMEDIA TECHNOLOGY INC.

Information on investees

Year ended December 31, 2025

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2025			Net profit of the investee for the year ended December 31, 2025	Investment income recognised by the Company for the year ended December 31, 2025	Footnote
				Balance as at December 31, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value			
ASMEDIA TECHNOLOGY INC.	WT MICROELECTRONICS CO., LTD.	Taiwan	Agent of semiconductor and electronic materials	\$ 8,307,440	\$ 8,307,440	188,720,421	14.94%	\$ 17,460,136	\$ 13,152,813	\$ 2,092,595	
ASMEDIA TECHNOLOGY INC.	XINPAL PTE. LTD.	Singapore	Design and Development of High Performance Computing	112,998	112,998	37,500,000	29.7%	110,533	35,635	10,470	
ASMEDIA TECHNOLOGY INC.	TECHPOINT, INC.	US	Semiconductor IC Chip Sales	12,412,536	-	19,554,940	100%	12,849,095	520,179	291,810	
TECHPOINT, INC.	TECHPOINT JAPAN K.K.	Japan	Semiconductor IC Chip Design and Development	2,022	2,022	10	100%	34,063	3,651	-	The company's subsidiary (Note)

Note: The investment gains and losses recognised in the current period are exempt from reporting as per regulations.

ASMEDIA TECHNOLOGY INC.  
Information on investments in Mainland China  
Year ended December 31, 2025

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2025		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Net income of investee for the year ended December 31, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2025 (Note 2)	Book value of investments in Mainland China as of December 31, 2025	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2025	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
TECHPOINT TECHNOLOGY (SHENZHEN) CO., LTD.	Semiconductor IC Chip Design and Development	\$ 2,045	3	\$ -	\$ -	\$ -	\$ -	\$ 7,839	100.00%	\$ 7,839	\$ 26,395	\$ -	Limited Company
Company name	December 31, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA							
ASMEDIA TECHNOLOGY INC.	\$ -	\$74,485 USD 2,542	21,685,601										

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: The investment gains and losses recognised in this statement are based on the valuation derived from the financial statements of the investee company for the same period, reviewed by the auditor of the Taiwanese parent company.

Note 3: The numbers in this table are expressed in New Taiwan Dollars.

ASMEDIA TECHNOLOGY INC.  
STATEMENT OF CASH AND BANK DEPOSITS  
DECEMBER 31, 2025  
(Expressed in thousands of New Taiwan dollars)

Statement 1

Item	Description	Amount
Cash on hand		\$ 90
Bank deposits		
- Demand deposits		1,302,347
- Time deposits	Maturity dates are from 2026/2 ; interest rate is 1.59% per annum	2,000,000
- Foreign demand deposits	USD 19,761 thousand; exchange rate 31.43	621,074
	RMB 1 thousand ; exchange rate 4.494	4
		<u>\$ 3,923,515</u>

ASMEDIA TECHNOLOGY INC.  
STATEMENT OF ACCOUNTS RECEIVABLE  
DECEMBER 31, 2025  
 (Expressed in thousands of New Taiwan dollars)

Statement 2

<u>Client Name</u>	<u>Amount</u>	<u>Note</u>
Client A	\$ 1,133,265	
Client B	123,147	
Others	182,667	None of the balances of each client is greater than 5% of this account balance
Less: Allowance for bad debts	( 145)	
	<u>\$ 1,438,934</u>	

ASMEDIA TECHNOLOGY INC.  
STATEMENT OF INVENTORIES  
DECEMBER 31, 2025

(Expressed in thousands of New Taiwan dollars)

Statement 3

Item	Amount		Note
	Cost	Net Realizable Value	
Raw materials	\$ 229,887	\$ 227,116	
Work in progress	540,644	540,644	
Finished goods	783,451	1,954,979	
	1,553,982	\$ 2,722,739	
Less: Allowance for inventory valuation losses and loss for obsolete and slow-moving inventories	( 180,500)		
	\$ 1,373,482		

ASMEDIA TECHNOLOGY INC.  
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(Expressed in thousands of New Taiwan dollars)

Statement 4

Name	Beginning Balance		Addition		Decrease		Ending Balance			Market Value or Net Assets Value		Collateral	Note
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Percentage of Ownership	Amount	Unit Price	Total Amount		
WT MICROELECTRONICS CO., LTD.	8,307,440	\$ 17,329,164	-	\$ 3,006,168 (Note 1)	-	\$ 2,875,196 (Note 2)	8,307,440	14.94%	\$ 17,460,136	-	\$ 25,854,698		
XINPAL PTE.LTD.	112,998	96,037	-	14,496 (Note 3)	-	-	112,998	29.7%	110,533	-	110,533		
TECHPOINT, INC.	-	-	19,554,940	12,849,095 (Note 4)	-	-	19,554,940	100%	12,849,095	-	12,849,095		
		<u>\$ 17,425,201</u>		<u>\$ 15,869,759</u>		<u>\$ 2,875,196</u>			<u>\$ 30,419,764</u>		<u>\$ 38,814,326</u>		

Note 1: It includes the share of profit of investments accounted for using equity method amounting to \$2,092,595 thousand, the increase in cash capital not proportionate to shareholding percentage amounting to \$766,498 thousand and the recognition of changes in other equity interest of associates amounting to \$147,075 thousand.

Note 2: It includes cash dividends paid amounting to \$1,131,945 thousand, the recognition of the share of other comprehensive loss of associates amounting to \$1,742,096 thousand and the recognition of unrealised gross profit from sales amounting to \$1,155 thousand.

Note 3: It includes the share of profit of investments accounted for using equity method amounting to \$10,470 thousand and the share capital on not increase cash capital by shareholding percentage amounting to \$4,026 thousand.

Note 4: It includes the initial acquisition cost amounting to \$12,358,202 thousand, the recognition of the incremental fair value arising from the contract modification of restricted stocks to employees amounting to \$54,334 thousand, the share of profit of investments accounted for using equity method amounting to \$291,810 thousand, the share of other comprehensive income of subsidiaries amounting to \$5,093 thousand and currency translation differences amounting to \$139,656 thousand.

ASMEDIA TECHNOLOGY INC.  
STATEMENT OF OPERATING REVENUE  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(Expressed in thousands of New Taiwan dollars)

Statement 5

<u>Item</u>	<u>Quantity</u>	<u>Amount</u>	<u>Note</u>
High speed interface controller	10,380 million units	\$ 10,635,101	
High speed device controller	3,101 million units	1,528,484	
Sales returns and discounts		( 141,773)	
		<u>\$ 12,021,812</u>	

ASMEDIA TECHNOLOGY INC.  
STATEMENT OF OPERATING COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(Expressed in thousands of New Taiwan dollars)

Statement 6

<u>Item</u>	<u>Amount</u>	<u>Footnote</u>
Beginning raw materials	\$ 227,730	
Add: Raw materials purchased for the year	3,524,622	
Less: Ending raw materials	( 229,887)	
Purchase returns and discounts	( 81,052)	
Transfers to operating expenses	( 9,304)	
Raw materials used for the year	3,432,109	
Manufacturing expense	3,207,745	
Manufacturing cost	6,639,854	
Add: Beginning work in Progress	219,345	
Less: Ending work in Progress	( 540,644)	
Purchase returns and discounts	( 3,892)	
Transfers to operating expenses	( 234)	
Cost of finished goods	6,314,429	
Add: Beginning finished goods	379,466	
Less: Ending finished goods	( 783,451)	
Transfers to operating expenses	( 2,375)	
Cost of goods sold	5,908,069	
Add: Allowance for inventory valuation and obsolescence loss	( 153,500)	
Operating costs	<u>\$ 5,754,569</u>	

ASMEDIA TECHNOLOGY INC.  
STATEMENT OF MANUFACTURING EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2025  
 (Expressed in thousands of New Taiwan dollars)

Statement 7

Item	Amount	Note
Processing expenses	\$ 3,039,919	
Others	167,826	None of the balances of each item is greater than 5% of this account balance
	<u>\$ 3,207,745</u>	

ASMEDIA TECHNOLOGY INC.  
STATEMENT OF SELLING EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(Expressed in thousands of New Taiwan dollars)

Statement 8

<u>Item</u>	<u>Amount</u>	<u>Note</u>
Wages and salaries	\$ 119,858	
Commissions expense	9,542	
Other expenses	<u>34,758</u>	None of the balances of each item is greater than 5% of this account balance
	<u>\$ 164,158</u>	

ASMEDIA TECHNOLOGY INC.  
STATEMENT OF GENERAL AND ADMINISTRATIVE EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(Expressed in thousands of New Taiwan dollars)

Statement 9

<u>Item</u>	<u>Amount</u>	<u>Note</u>
Wages and salaries	\$ 232,974	
Services expenses	41,690	
Other expenses	<u>97,812</u>	None of the balances of each item is greater than 5% of this account balance
	<u>\$ 372,476</u>	

ASMEDIA TECHNOLOGY INC.  
STATEMENT OF RESEARCH AND DEVELOPMENT EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(Expressed in thousands of New Taiwan dollars)

Statement 10

<u>Item</u>	<u>Amount</u>	<u>Note</u>
Wages and salaries	\$ 1,490,711	
Depreciation expenses	233,477	
Amortization expenses	130,382	
Other expenses	<u>226,986</u>	None of the balances of each item is greater than 5% of this account
	<u>\$ 2,081,556</u>	

ASMEDIA TECHNOLOGY INC.  
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION AND AMORTISATION EXPENSES BY FUNCTION  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(Expressed in thousands of New Taiwan dollars)

Statement 11

Nature	Function	Year ended December 31, 2025			Year ended December 31, 2024		
		Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee benefit expense							
Wages and salaries		\$ 115,258	\$ 1,819,291	\$ 1,934,549	\$ 69,779	\$ 1,181,681	\$ 1,251,460
Labour and health insurance fees		4,340	64,245	68,585	2,839	45,407	48,246
Pension costs		1,497	21,751	23,248	1,302	19,981	21,283
Directors' remuneration		-	24,252	24,252	-	16,765	16,765
Other personnel expenses		1,252	24,215	25,467	691	15,218	15,909
Total		\$ 122,347	\$ 1,953,754	\$ 2,076,101	\$ 74,611	\$ 1,279,052	\$ 1,353,663
Depreciation		\$ 14,743	\$ 260,393	\$ 275,136	\$ 19,447	\$ 306,044	\$ 325,491
Amortisation		\$ -	\$ 131,259	\$ 131,259	\$ -	\$ 96,920	\$ 96,920

Note:

1. As at December 31, 2025 and 2024, the Company had 349 and 314 employees, respectively, including 7 non-employee directors for both years.
2. A company whose stock is listed for trading on the stock exchange or over-the-counter securities exchange shall additionally disclose the following information:
  - (1) Average employee benefit expense in current year was \$6,000 ((Total employee benefit expense of current year - Total directors' remuneration of current year)/ (Number of employees of current year - Number of non-employee directors of current year)).  
Average employee benefit expense in previous year was \$4,377 ((Total employee benefit expense of prior year -Total directors' remuneration of prior year)/ (Number of employees of prior year - Number of non-employee directors of prior year)).
  - (2) Average employee salaries in current year was \$5,657 (Total wages and salaries of current year/ (Number of employees of current year - Number of non-employee directors of current year)).  
Average employee salaries in previous year was \$4,098 (Total wages and salaries of prior year/ (Number of employees of prior year - Number of non-employee directors of prior year)).

ASMEDIA TECHNOLOGY INC.  
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION AND AMORTISATION EXPENSES BY FUNCTION  
(Cont.)  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(Expressed in thousands of New Taiwan dollars)

Statement 11

- (3) Adjustments of average employee salaries was 38% ((Average wages and salaries of current year - Average wages and salaries of prior year)/Average wages and salaries of prior year).
- (4) As the Company has elected to set up the audit committee, it has no supervisors' remuneration.
- (5) The Company's compensation policy
  - A. The overall employee compensation levels are determined by the Company's operational situation, annual budget and salary policy to effectively attract and retain talents.
  - B. Link employees' compensation with their performance by using the performance management system to motivate employees and drive positive growth in the Company.
  - C. Link employees' compensation with their achievement of the Company's operational targets, job and overall performance to motivate employees.
  - D. Set up the Compensation Committee to effectively review the Company's overall compensation and benefit policies and the directors' and management's remuneration.