Stock Code:3312

G.M.I. Technology Inc. and Subsidiaries

Consolidated Financial Statements

With Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024

Address: 2F., No. 57, Xingzhong Rd., Neihu District, Taipei City, 114
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The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

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Representation Letter

The entities that are required to be included in the combined financial statements of G.M.I. Technology Inc. as of and for the year ended December 31, 2025 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 by the Financial Supervisory Commission, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, G.M.I. Technology Inc. and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: G.M.I. Technology Inc.
Chairman: Yeh, Chia-Wen
Date: March 9, 2026

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Independent Auditors' Report

To the Board of Directors of G.M.I. Technology Inc.:

Opinion

We have audited the consolidated financial statements of G.M.I. Technology Inc. and its subsidiaries ("the Group"), which comprise the consolidated balance sheet as of December 31, 2025 and 2024, the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the report of other auditors, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountants of 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 of 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that, in our professional judgment, should be communicated are as follows:

1. Revenue Recognition

   Please refer to note 4(m) "Revenue Recognition" for accounting policy, and note 6(r) Revenue from Customer Contracts, of the Consolidated Financial Statements.

Description of key audit matter:

The Group mainly engages in the purchase and sale of electronic components. Since revenue is an important item in financial reporting and is of the interest to the users of financial statements, revenue recognition is one of the important evaluations performed by our auditors in the consolidated financial statements.

How the matter was addressed in our audit:

Our principal audit procedures included:

- Understand and test the internal processes and related controls related to revenue recognition.
- Analyze the form and transaction terms of major revenues to assess the appropriateness of the timing of revenue recognition
- Verify the revenue transaction records and various certificates for the period before and after the selected financial reporting date to assess the appropriate cutoff of operating revenue records.

Other Matter

Among the subsidiaries included in the aforementioned consolidated financial statements, the financial statements of Rehear Audiology Company LTD. were not audited by us, but were audited by other independent auditors. Therefore, with respect to the amounts related to Rehear Audiology Company LTD. included in the consolidated financial statements on which we have expresses an opinion, such amounts are based solely on the audit report of other independent auditors. As of December 31, 2025, the total assets of Rehear Audiology Company LTD. accounted for 3.21% of the consolidated total assets, and for the period from January 1 to December 31, 2025, its net operating revenue accounted for 0.00% of the consolidated net operating revenue.

We did not audit the financial statements of Unitech electronics Co., Ltd. and Global Mobile Internet Co., Ltd. subsidiaries of the Group. Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Unitech electronics Co., Ltd. and Global Mobile Internet Co., Ltd., is based solely on the report of another auditor. The investment in Unitech electronics Co., Ltd. and Global Mobile Internet Co., Ltd. accounted for using the equity method constituting 2.27% and 2.38% of consolidated total assets at December 31, 2025 and 2024, respectively, and the related share of profit of subsidiaries, associates and joint ventures accounted for using the equity method constituting 4.00% and 2.76% of total Earning before tax for the years then ended respectively.

The Company has prepared its parent-company-only financial report for the years 2025 and 2024, on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee or supervisors) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 consolidated 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group 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 consolidated 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.

The engagement partners on the audit resulting in this independent auditors' report are Chi, Meng-Chun and Yang, Shu-Chih.

KPMG

Taipei, Taiwan (Republic of China)
March 9, 2026

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and its cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

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

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

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2025		December 31, 2024	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 2,593,094	24	2,098,460	20
1110	Current financial assets at fair value through profit or loss (notes 6(b)(l))	-	-	1,200	-
1150	Notes receivable (notes 6(c)(r))	125,455	1	201,942	2
1170	Accounts receivable (notes 6(c)(r) and 8)	4,267,513	38	3,867,829	37
1181	Accounts receivable due from related parties(notes 6(c)(r) and 7)	119,584	1	10,993	-
1199	Finance lease payment receivable - related party (notes 6(d), (r) and 7)	166,110	2	85,929	1
1200	Other receivables	21,536	-	20,700	-
1210	Other receivables – related parties (note 7)	51,824	-	-	-
1220	Current income tax assets	1,334	-	20,422	-
130X	Inventories (note 6(e))	1,434,010	13	1,218,109	12
1476	Other financial assets - current (note 8)	243,223	2	231,596	2
1470	Other current assets	37,179	-	45,338	1
	Total current assets	9,060,862	81	7,802,518	75
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	273,600	3	91,045	1
1550	Investments accounted for using the equity method (notes 6(f), 7 and 8)	254,627	2	247,312	3
1600	Property, plant and equipment (notes 6(h), 7 and 8)	332,675	3	1,769,960	17
1755	Right-of-use assets (note 6(i))	16,169	-	11,278	-
1840	Deferred income tax assets(note 6(o))	19,274	-	10,927	-
1915	Prepayments for business facilities	1,341	-	27,876	-
194K	Long-term finance lease payment receivable—related parties (notes 6(d)(r) and 7)	1,230,069	11	419,117	4
1975	Net defined benefit assets- non current (note 6(n))	6,799	-	6,131	-
1900	Other non-current assets	4,211	-	4,290	-
	Total noncurrent assets	2,138,765	19	2,587,936	25
	Total assets	**$ 11,199,627**	**100**	**10,390,454**	**100**

		December 31, 2025		December 31, 2024	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term borrowings (notes 6(k) and 8)	$ 2,637,693	24	2,095,898	20
2110	Short-term notes and bills payable (notes 6(j)and 8)	349,858	3	449,326	4
2130	Current contract liabilities (note 6(r))	67,929	1	14,657	-
2170	Accounts payable	597,921	5	162,251	2
2180	Accounts payable to related parties (note 7)	2,238,686	20	2,468,239	24
2213	Payable on machinery and equipment(note 6(h))	617	-	912,248	9
2219	Other payables (note 6(n))	105,882	1	115,215	1
2220	Other payables to related parties (note 7)	-	-	200	-
2230	Current income tax liabilities	36,124	-	21,771	-
2280	Current lease liabilities (note 6(m))	9,334	-	10,592	-
2300	Other current liabilities	10,029	-	-	-
	Total current liabilities	6,054,073	54	6,250,397	60
	Non-Current liabilities:				
2530	Bonds payable (note 6(l))	967,342	9	946,322	9
2580	Non-current lease liabilities (note 6(m))	7,184	-	1,463	-
2570	Deferred tax liabilities (note 6(o))	-	-	9,194	-
	Total non-current liabilities	974,526	9	956,979	9
	Total liabilities	7,028,599	63	7,207,376	69
	Equity attributable to owners of the parent company (notes 6(p) and (y)):				
3110	Ordinary share	1,826,268	16	1,626,254	16
3200	Capital surplus	972,947	9	309,068	3
3310	Legal reserve	217,708	2	178,894	2
3350	Unappropriated retained earnings	801,975	7	779,596	7
3400	Other equity interests	89,383	1	194,251	2
	Total equity attributable to owners of parent:	3,908,281	35	3,088,063	30
36XX	Non-controlling interests (note 6(g))	262,747	2	95,015	1
	Total equity	4,171,028	37	3,183,078	31
	Total liabilities and equity	**$ 11,199,627**	**100**	**10,390,454**	**100**

See accompanying notes to consolidated financial statements.

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

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2025 and 2024

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

		2025		2024	
		Amount	**%**	**Amount**	**%**
4000	**Operating revenues** (notes 6(r) and 7)	$ 21,015,598	100	17,709,439	100
5000	**Operating costs** (notes 6(e) and 7)	19,906,765	95	16,763,564	95
	Gross profit (loss) from operations	1,108,833	5	945,875	5
	Operating expenses (notes 6(m), (n), (s) and (y)):				
6100	Selling expenses	356,077	2	376,131	2
6200	Administrative expenses	184,150	1	162,242	1
6300	Research and development expenses	66,460	-	52,531	-
6450	Impairment losses (impairment gains) determined in accordance with IFRS 9 (note 6(c))	523	-	5,658	-
	Total operating expenses	607,210	3	596,562	3
	Net operating income	501,623	2	349,313	2
	Non-operating income and expenses (notes 6(f), (m) and (t)):				
7100	Interest income	21,572	-	54,819	-
7010	Other income	10,640	-	14,167	-
7020	Other gains and losses, net	(96,746)	-	115,070	1
7050	Finance costs	(114,222)	(1)	(78,646)	-
7060	Share of profit of associates and joint ventures accounted for using equity method(note 6(f))	13,461	-	12,884	-
	Total non-operating income and expenses	(165,295)	(1)	118,294	1
7900	**Profit before income tax**	336,328	1	467,607	3
7950	Less: Income tax expense (note 6(o))	97,150	-	109,472	1
	Profit	239,178	1	358,135	2
8300	**Other comprehensive income (loss):**				
8310	**Items that may not reclassified subsequently to profit or loss**				
8311	Gains (losses) on remeasurements of defined benefit plans (note 6(l))	265	-	1,766	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified	-	-	-	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
		265	-	1,766	-
8360	**Items that may be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	(104,458)	-	159,244	1
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(410)	-	1,054	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Total of items that may be reclassified to profit or loss	(104,868)	-	160,298	1
8300	**Other comprehensive income, net**	(104,603)	-	162,064	1
8500	**Total comprehensive income**	**$ 134,575**	**1**	**520,199**	**3**
	Profit (loss), attributable to:				
8610	Profit (loss), attributable to owners of parent	$ 288,603	1	386,378	2
8620	Profit (loss), attributable to non-controlling interests	(49,425)	-	(28,243)	-
		$ 239,178	**1**	**358,135**	**2**
	Comprehensive income attributable to:				
8710	Comprehensive in come, attributable to owners of parent	$ 184,000	1	548,442	3
8720	Comprehensive income, attributable to non-controlling interests	(49,425)	-	(28,243)	-
		$ 134,575	**1**	**520,199**	**3**
	Basic earnings per share(note (6)(q))				
9750	Basic earnings per share	**$**	**1.74**		**2.38**
9850	Diluted earnings per share	**$**	**1.71**		**2.33**

See accompanying notes to consolidated financial statements.

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

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent								
			Retained earnings		Total other equity interest				
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2024	$ 1,626,254	223,116	146,600	618,896	33,510	443	2,648,819	61,384	2,710,203
Profit for the period	-	-	-	386,378	-	-	386,378	(28,243)	358,135
Other comprehensive income or loss for the period	-	-	-	1,766	159,244	1,054	162,064	-	162,064
Total comprehensive income or loss for the period	-	-	-	388,144	159,244	1,054	548,442	(28,243)	520,199
Appropriation and distribution of retained earnings:									
Legal reserve	-	-	32,294	(32,294)	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	(195,150)	-	-	(195,150)	-	(195,150)
Due to recognition of equity component of convertible bonds (preference share) issued	-	65,872	-	-	-	-	65,872	-	65,872
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	370	-	-	-	-	370	-	370
Changes in ownership interests in subsidiaries	-	19,710	-	-	-	-	19,710	60,290	80,000
Changes in non-controlling interests	-	-	-	-	-	-	-	1,584	1,584
Balance at December 31, 2024	1,626,254	309,068	178,894	779,596	192,754	1,497	3,088,063	95,015	3,183,078
Profit for the period	-	-	-	288,603	-	-	288,603	(49,425)	239,178
Other comprehensive income or loss for the period	-	-	-	265	(104,458)	(410)	(104,603)	-	(104,603)
Total comprehensive income or loss for the period	-	-	-	288,868	(104,458)	(410)	184,000	(49,425)	134,575
Appropriation and distribution of retained earnings:									
Legal reserve	-	-	38,814	(38,814)	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	(227,675)	-	-	(227,675)	-	(227,675)
Capital increase by cash	200,000	596,000	-	-	-	-	796,000	-	796,000
Conversion of convertible bonds	14	82	-	-	-	-	96	-	96
Share-base payment transactions	-	4,904	-	-	-	-	4,904	-	4,904
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	188	-	-	-	-	188	-	188
Changes in non-controlling interests	-	62,705	-	-	-	-	62,705	217,157	279,862
Balance at December 31, 2025	**$ 1,826,268**	**972,947**	**217,708**	**801,975**	**88,296**	**1,087**	**3,908,281**	**262,747**	**4,171,028**

See accompanying notes to consolidated financial statements.

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

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from (used in) operating activities:		
Profit before tax	$ 336,328	467,607
Adjustment:		
Adjustments to reconcile profit (loss):		
Depreciation expense	22,990	22,549
Expected credit loss (reversal of impairment loss)	523	5,658
Interest expense	114,222	78,646
Interest revenue	(21,572)	(54,819)
Share-based payments	4,904	-
Finance lease interest revenue	(248,152)	(38,117)
Loss (gain) on financial assets at fair value through profit or loss	(1,354)	(260)
Share of profit of associates accounted for using equity method	(13,461)	(12,884)
Loss (gain) from disposal of property, plant and equipment	(480)	127
Loss on lease modification	49,012	-
Total adjustments to reconcile profit	(93,368)	900
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in notes receivable	67,322	(101,181)
Increase in accounts receivable	(430,909)	(590,033)
Increase in accounts receivable due from related parties	(108,591)	(3,832)
Decrease in finance lease receivable due from related parties	372,653	75,482
(Increase) decrease in other receivables	(1,216)	651
Increase in inventories	(259,259)	(120,472)
Increase in other receivables due from related parties	(51,824)	-
Decrease in other current assets	8,084	43,598
Total changes in operating assets	(403,740)	(695,787)
Changes in operating liabilities:		
Increase (decrease) in contract liabilities	52,176	(20,247)
Increase (decrease) in accounts payable	484,346	(128,153)
(Decrease) increase in accounts payable to related parties	(177,258)	498,722
(Decrease) increase in other payables	(2,849)	26,994
Decrease in other payables to related parties	(4,923)	(5,091)
Increase in other current liabilities	10,029	-
Decrease in net defined benefit liability	(403)	(1,978)
Total changes in operating liabilities	361,118	370,247
Total adjustments	(135,990)	(324,640)
Cash inflow (outflow) from operations	200,338	142,967
Interest received	21,833	55,342
Interest paid	(93,624)	(65,356)
Income taxes paid	(82,594)	(86,182)
Net cash flows from operating activities	45,953	46,771
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through profit or loss	(200,000)	(70,000)
Proceeds from disposal of financial assets at fair value through profit or loss	20,000	50,000
Acquisition of property, plant and equipment	(1,033,848)	(1,058,788)
Proceeds from disposal of property, plant and equipment	262,840	-
(Increase) decrease in other financial assets	(20,867)	9,153
Decrease (increase) in other non-current assets	79	(102)
Decrease (increase) in prepayments for business facilities	26,535	(27,876)
Dividends received	5,735	3,306
Net cash flows from (used in) investing activities	(939,526)	(1,094,307)
Cash flows from (used in) financing activities:		
Increase in short-term borrowing	8,022,487	7,125,076
Decrease in short-term borrowing	(7,480,692)	(6,384,496)
Increase in short-term notes and bills	7,389,797	3,247,077
Decrease in short-term notes and bills	(7,489,265)	(2,997,352)
Proceeds from issuing bonds	-	1,000,000
Repayments of long-term debt	-	(202,300)
Payment of lease liabilities	(15,644)	(16,490)
Cash dividends paid	(227,675)	(195,150)
Proceeds from issuing shares	796,000	-
(Increase) decrease in non-controlling interests	(1,950)	1,950
Other financing activities	282,000	80,000
Net cash flows from (used in) financing activities	1,275,058	1,658,315
Effect of exchange rate changes on cash and cash equivalents	113,149	(10,227)
Net increase (decrease) in cash and cash equivalents	494,634	600,552
Cash and cash equivalents at beginning of period	2,098,460	1,497,908
Cash and cash equivalents at end of period	$ 2,593,094	2,098,460

See accompanying notes to consolidated financial statements.

(1) Company history

G.M.I. TECHNOLOGY INC. (hereinafter referred to as the "Company") was established in October 1995 with the approval of the Ministry of Economic Affairs, R.O.C., and its registered office is located at 2F, No. 57, Xingzhong Rd, Neihu District, Taipei, Taiwan. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are principally engaged in the trading and manufacturing of electronic equipment and components, computer software development, trading ,machinery and equipment rental, as well as related business services.

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

These consolidated financial statements were authorized for issue by the Board of Directors on March 9, 2026.

(3) New standards, amendments and interpretations adopted:

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

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025:

- Amendments to IAS21 "Lack of Exchangeability"

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

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

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

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

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

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ' operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company' s main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027 note:On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

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

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

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

(4) Summary of material accounting policies:

The material accounting policies presented in the consolidated financial statements are summarized below.Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements..

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "the Regulations") and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C .

(b) Basis of preparation

(i) Basis of measurement

Except for financial assets measured at fair value through other comprehensive income and net defined benefit liabilities (assets), which are measured at the fair value of plan assets less the present value of defined benefit obligations, the consolidated financial statements have been prepared on a historical cost basis.

(ii) Functional and presentation currency

The functional currency of each Group entity is determined based on the primary economic environment in which the entity operates. The consolidated financial statements are presented in New Taiwan Dollar (NTD), which is the Company’ s functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

(c) Basis of consolidation

(i) Principles of preparation of consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group ‘controls’ an entity when it is exposed to, 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.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The Group prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances.

Changes in the Group’s ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognized directly in equity, and the Group will attribute it to the owners of the parent.

(ii) List of subsidiaries in the consolidated financial statements

List of the subsidiaries included in the consolidated financial statements:

			Percentage of ownership		
Name investor	**Name of investee**	**Scope of business**	**December 31, 2025**	**December 31, 2024**	**Description**
The Company	G.M.I. Technology (BVI) Co., Ltd	Investment holding	100 %	100 %	-
The Company	Rehear Audiology Co., Ltd.	Research, Development and sales of medical equipment	23.65 %	25.76 %	Note 1
The Company	GMI USA Corporation	Server Leasing	100 %	- %	Note 2
The Company	GMI Technology HK Limited	Trading of electronic components and investment holding	100 %	- %	Note 3
G.M.I. Technology (BVI) Co., Ltd	Harken Investments Limited	Investment holding	100 %	100 %	-
G.M.I. Technology (BVI) Co., Ltd	Vector Electronic Co.Ltd	Trading of electronic components and business marketing consultancy service	100 %	100 %	-
Vector Electronic Co. Ltd	G.M.I. (Shanghai）Trading Company Limited	Trading of electronic components and business marketing consultancy service	100 %	100 %	-
Vector Electronic Co. Ltd	Hong Da Fu Tong Electronics Company Limited	Trading of electronic components	100 %	100 %	-

Note 1: On August 1, 2024, the investee conducted a cash capital increase by issuing 1,000 thousand shares. As the Company did not subscribe to these new shares, its ownership interest decreased to 25.76%. Moreover, on June 24, 2025, the investee conducted a cash capital increase and issued 3,525 thousand shares, at an issue price of NT$80 per share. As the Company did not subscribe to these new shares, its ownership interest decreased to 23.65%, resulting in its non-controlling interests to increase by $217,157 thousand.

Note 2: The subsidiary has completed its establishment and registration procedures on February 12, 2025, and its share capital

(Continued)

has been invested in July 2025.

Note 3: The subsidiary completed its establishment and registration procedures on October 30, 2025, but its share capital has not yet been paid in.

(iii) Subsidiaries excluded from the consolidated financial statements: None.

(d) Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Nonmonetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(e) Classification of current and non-current assets and liabilities

The Group classifies an asset as current when it meets any of the following criteria; all other assets are classified as non-current:

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

(iv) The Group does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

The Group classifies a liability as current when it meets any of the following criteria; all other liabilities are classified as non-current:

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Group does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(f) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(g) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

On initial recognition, a financial asset is classified as measured at: amortized cost; Fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

· it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Fair value through other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

· it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Some accounts receivable are held within a business model whose objective is achieved by both collecting contractual cash flows and selling by the Group, therefore, those receivables are measured at FVOCI. However, they are included in the ‘ trade receivables’ line item.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Dividend income is recognized in profit or loss on the date on which the Group’s right to receive payment is established.

3) Fair value through profit or loss (FVTPL)

Financial assets that are not measured at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss. This category includes derivative financial assets. The Group initially recognizes these instruments at fair value; to eliminate or significantly reduce an accounting mismatch, financial assets that meet the criteria for being measured at amortized cost or at fair value through other comprehensive income may be irrevocably designated as measured at fair value through profit or loss.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, amortized costs, notes and trade receivables, other receivable, guarantee deposit paid and other financial assets, debt investments measured at FVOCI and contract assets.

(Continued)

The Group measures loss allowances at an amount equal to lifetime expected credit loss (ECL), except for the following which are measured as 12-month ECL:

· debt securities that are determined to have low credit risk at the reporting date; and

· other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment as well as forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is ' credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial assets is credit-impaired includes the following observable data:

· significant financial difficulty of the borrower or issuer;

· a breach of contract such as a default or being more than 90 days past due;

· the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;

· it is probable that the borrower will enter bankruptcy or other financial reorganization; or

· the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

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The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

5) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

Debt and equity instruments issued by the Group are classified as financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Compound financial instruments

Compound financial instruments issued by the Group comprise convertible bonds denominated in NTD that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of compound financial instruments is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognized at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

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Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognized in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.

4) Financial liabilities

Financial liabilities are stated at amortized cost.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

5) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

6) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(h) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

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(i) Investment in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over their financial and operating policies.

Investments in associates are accounted for using the equity method. Under the equity method, when associates are originally acquired, they are recognized at cost, plus the net fair value of any identifiable assets and liabilities by the investee that exceeds the cost of the investment. The cost of the investment also includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition, less any accumulated impairment losses.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Group, from the date on which significant influence commences until the date on which significant influence ceases. The Group recognizes any changes of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual proportionate share.
Gains and losses resulting from transactions between the Group and an associate are recognized only to the extent of unrelated Group's interests in the associate.

When the Group's share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

(j) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straightline basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

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The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1)	Building and structure	30 years
2)	Machinery and equipment	5 years
3)	Office equipment and other equipment	3 to 5 years
4)	Leasehold Improvement	3 years

The Group reviews the depreciation method, useful life and residual value at each reporting date, and makes appropriate adjustments when necessary.

(k) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a leasee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

(1) fixed payments, including in substance fixed payments;

(2) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

(3) amounts expected to be payable under a residual value guarantee; and

(4) payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

(1) there is a change in future lease payments arising from the change in an index or rate; or

(2) there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or

(3) there is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset, or

(4) there is a change of its assessment on whether it will exercise a extension or termination option; or

(5) there is any lease modifications

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

(ii) As a lessor

When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS15 to allocate the consideration in the contract.

The lessor recognizes a finance lease receivable at an amount equal to its net investment in the lease. Initial direct costs, such as lessors to negotiate and arrange a lease, are included in the measurement of the net investment. The lessor recognizes the interest income over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

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(l) Impairment of non financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets, and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset' s recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount impairment losses are recognized in profit or loss.

Non-financial assets are reversed only to the extent that the carrying amount (other than depreciation or amortization) does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years.

(m) Revenue Recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Group's main types of revenue are explained below.

(i) Selling goods

The Group recognizes revenue when control over a product is transferred. The transfer of control of the product means that the product has been delivered to the customer, the customer has full control over the sales channel and price of the product, and there are no outstanding obligations that would affect the customer's acceptance of the product. Delivery occurs when the product is delivered to a specific location, the risk of obsolescence and loss has been transferred to the customer, and the customer has accepted the product in accordance with the sales contract, the terms of acceptance have lapsed, or the Group has objective evidence that all acceptance conditions have been met.

The Group regularly provides sales discounts to its customers on the basis of sales achieved. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated sales discounts. Accumulated experience is used to estimate the discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. A refund liability is recognized for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

The Group recognizes accounts receivable when the goods are delivered because the Group has the unconditional right to receive the consideration at that point in time.

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(ii) Rental income

When the Group leases equipment to customers, lease income is recognized based on the conditions of the lease contract and the period during which it is realized.

(n) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(ii) Defined benefit plans

The Group’s net obligation in respect of defined benefit plans is calculated separately for each the plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(o) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the liability are recognized in profit or loss.

Grant date of a share-based payment award is the date which the Group confirms the number of shares subscribed by the employees.

(p) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

(i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction (i) affects neither accounting nor taxable profits (losses) and (ii) does not give rise to equal taxable and deductible temporary differences;

(ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

1) the same taxable entity; or

2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(q) Earnings per share

The Group discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares, such as employee compensation.

(r) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

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

In preparing these consolidated financial statements, management has made judgments and estimates, about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to estimates are recognized prospectively in the period of the change and future periods.

The accounting policies involved significant judgement and have a significant impact on the amounts recognized in this consolidated financial report as follows:

(a) Judgement regarding significanst infiuence over an investee

The Group holds 12.73% voting shares, and is the second largest shareholder, of Unitech Electronics Co., Ltd., resulting in the Group's chairan and his family having substantial control and significant influence over Unitech Electronics Co., Ltd ..

(b) Judgment regarding substantive control over an investee

Although the Company owns less than 50% of Rehear Audiology Company LTD, the Company and the related parties own more than 50% of Rehear Audiology Company LTD, and the Company could determine the related operating activities. Therefore, Rehear Audiology Company LTD, is regarded as a subsidiary

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows.:

(a) The loss allowance for trade receivables

The Group has estimated the loss allowance for trade receivables that is based on the risk of a default occurring and the rate of expected credit loss. The Group has considered historical experience, current economic conditions and forward-looking information at the reporting date to determine the assumptions to be used in calculating the impairments and the selected inputs. The relevant assumptions and input values, please refer to note 6(c).

(b) Valuation of inventories

As inventories are stated at the lower of cost or net realizable value, The Group estimates the net realizable value of inventories for obsolescence and unmarketable items at the end of the reporting period and then writes down the cost of inventories to net realizable value. The net realizable value of the inventory is mainly determined based on assumptions of future demand within a specific time horizon. Due to the rapid technological changes, the net realizable value of inventories may change significantly. The relevant assumptions and input values, please refer to note 6(e).

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(6) Explanation of significant accounts:

(a) Cash and cash equivalents

		December 31, 2025	December 31, 2024
Cash on hand	$	3,665	1,324
Cheques and demand deposits		2,589,429	2,097,136
	$	**2,593,094**	**2,098,460**

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

		December 31, 2025	December 31, 2024
Mandatorily measured at fair value through profit or loss-current:			
Issuance of convertible corporate bonds-Embedded recall right	**$**	**-**	**1,200**
Mandatorily measured at fair value through profit or loss-non current:			
Beneficiary funds	**$**	**273,600**	**91,045**

(i) Please refer to note 6(t) for the amount of the financial assets at fair value through profit or loss.

(ii) None of the Group's financial assets at fair value through profit or loss have been pledged as collateral.

(c) Notes and accounts receivable

(i) The details are as follows:

		December 31, 2025	December 31, 2024
Notes receivable	$	125,832	202,550
Accounts receivable		4,304,118	3,904,248
Accounts receivable due from related parties		119,584	10,993
Less:Allowance for losses		(36,982)	(37,027)
	$	**4,512,552**	**4,080,764**

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(ii) The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward-looking information. The loss allowance provisions were determined as follows:

	December 31, 2025		
	Notes and accounts receivable carrying amount	**Weighted-average loss ratio**	**Allowance provision**
Current	$ 4,546,595	0.81%	36,856
Less than 90 days past due	2,939	4.29%	126
	$ 4,549,534		**36,982**

	December 31, 2024		
	Notes and accounts receivable carrying amount	**Weighted-average loss ratio**	**Allowance provision**
Current	$ 4,101,726	0.86%	35,395
Less than 90 days past due	15,719	8.18%	1,286
More than 180 days past due	346	100%	346
	$ 4,117,791		**37,027**

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

	For the year ended December 31,	
	2025	**2024**
Balance at January 1	$ 37,027	33,650
Impairment losses recognized	523	5,658
Foreign exchange gains or losses	(568)	(2,281)
Balance at December 31	**$ 36,982**	**37,027**

(iv) As of December 31, 2025 and 2024, none of the above financial assets were pledged as collateral for long-term borrowings or credit facilities.

(d) Finance lease payment receivable - related party

The Group leases the GPU server to its related party, GMI Computing International Ltd., wherein the Group classified the lease as a finance lease because the leases included the whole of the remaining term of the head lease. Please refer to note 7 for the description of related party transactions.

A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date, is as follows:

	December 31, 2025		**December 31, 2024**	
	USD	NTD	USD	NTD
Less than one year	$ 11,841	372,170	4,680	153,449
1~2 year	15,158	476,425	4,680	153,449
2~3 year	15,158	476,425	4,680	153,449
3~4 year	14,213	446,720	4,680	153,449
4~5 year	5,528	173,757	2,342	76,722
Total lease payments receivable	61,898	1,945,497	21,062	690,518
Unearned finance income	(17,478)	(549,318)	(5,803)	(185,472)
Present value of lease payments receivable	**$ 44,420**	**1,396,179**	**15,259**	**505,046**

	December 31, 2025	**December 31, 2024**
Finance lease payment receivable - current	$ 166,110	85,929
Long term finance lease payment receivable	1,230,069	419,117
	$ 1,396,179	**505,046**

For credit risk information,please refer to note 6(u)

For details regarding the loss on lease modifications, please refer to Note 7.

For the financing guarantees on December 31, 2025 and 2024, please refer to note 8.

(e) Inventories

	December 31, 2025	**December 31, 2024**
Goods for sale	**$ 1,434,010**	**1,218,109**

The details of cost of goods sold for the years ended December 31, 2025 and 2024 are as follows.

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	For the year ended December 31, 2025	For the year ended December 31, 2024
Cost of goods sold	$ 19,868,545	16,780,669
Write down of inventory (Reversal of write down)	(10,792)	(17,105)
Loss on lease modification	49,012	-
Operating Cost	**$ 19,906,765**	**16,763,564**

As of December 31, 2025 and 2024, the Group did not provide any inventories as collateral for its loans.

(f) Investments accounted for using the equity method

(i) The components of investments accounted for using the equity method at the reporting date were as follows:

	December 31, 2025	December 31, 2024
Associates	$ 578,204	570,889
Accumulated impairment	(323,577)	(323,577)
	$ 254,627	**247,312**

(ii) For associates that are significant to the Group, their relevant information are as follows:

Associate Name	Nature of the relationship with the Group	Main business sector/Country of company registration	Proportion of ownership interest and voting rights December 31, 2025	Proportion of ownership interest and voting rights December 31, 2024
Unitech Electronics Co., Ltd.	Invested by the Group using equity method	Taiwan	12.73 %	12.73 %

The aggregated financial information of the affiliates that are material to the Group is as follows. The financial information has been adjusted to the amounts included in the IFRS consolidated financial statements of each Affiliate to reflect the Group's fair value adjustments and adjustments made for differences in accounting policies for affiliates when acquiring equity in Affiliates:

1) Unitech Electronics's Aggregate Financial Information:

	December 31, 2025	December 31, 2024
Current Asset	$ 2,101,930	2,004,388
Non-Current Asset	522,096	547,490
Current Liability	(599,690)	(567,107)
Non-Current Liability	(85,734)	(101,189)
Net Assets	**$ 1,938,602**	**1,883,582**

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	For the year ended December 31, 2025	2024
Operating Income	$ **2,452,536**	**2,438,169**
Current period net profit	$ 100,984	94,214
Other comprehensive gains and losses	(905)	3,434
Total comprehensive gains and losses	$ **100,079**	**97,648**
Comprehensive income attributable to non-controlling interests	$ **256**	**289**
Comprehensive income attributable to owners of the investee company	$ **99,823**	**97,359**

	For the year ended December 31, 2025	2024
Beginning carrying balance of the Group's share of net assets of affiliates	$ 231,361	222,590
The Group's total gains and losses attributable to affiliates	13,008	12,077
Dividends received from affiliates	(5,735)	(3,306)
Ending balance of the Group's share of net assets of affiliates	238,634	231,361
Ending balance of the Group's share of net assets of associates	$ **238,634**	**231,361**

2) As of December 31, 2025, the Group' s equity-accounted investment— Unitech Electronics incurred impairment losses of $76,640 thousand because its carrying amount had exceeded fair value.

3) The aggregate financial information of the Group's equity-method associates, which are individually insignificant, is summarized as follows:

	December 31, 2025	December 31, 2024
Unitech Electronics Co., Ltd.	$ **275,299**	**371,845**

(iii) The Group lost control of its investee company, GW Electronics, in June 2017 and changed to using the equity method. During 2017, the Group assessed that there was uncertainty in the recovery of the investment in GW Electronics, hence, recognized the full amount as impairment. As of December 31, 2025, the accumulated impairment loss was $246,937 thousand.

(iv) The aggregate financial information of the Group's equity-method associates, which are individually insignificant, is summarized as follows(amounts included in the Group' s consolidated financial statements):

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		December 31, 2025	December 31, 2024
Carrying amount of equity in individual insignificant associates	$	15,993	15,951

		For the year ended December 31,	
		2025	2024
Attributable to the Group:			
Net gain for the period	$	654	938
Other comprehensive income or loss		(612)	924
Comprehensive income or loss	$	42	1,862

(v) Collaterals

As of December 31, 2025 and 2024, some of the Group’s investments accounted for using the equity method had been pledged as collateral, please refer to note 8.

(g) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

		Percentage of non-controlling interests	
Subsidiaries	Main operation place	December 31, 2025	December 31, 2024
Rehear Audiology Company LTD.	Taiwan	76.35 %	74.24 %

Rehear Audiology Company LTD.'s summarized consolidated financial information:

		December 31, 2025	December 31, 2024
Current assets	$	69,661	123,451
Non-current assets		289,483	8,314
Current liabilities		(21,122)	(3,782)
Non-current liabilities		-	-
Net assets	$	338,022	127,983
Non-controlling interests	$	262,747	95,015

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	For the years ended December 31, 2025	2024
Sales revenue	$ -	4,557
Net income	$ (71,962)	(38,473)
Other comprehensive income	-	-
Total Comprehensive income	$ (71,962)	(38,473)
Profit, attributable to non-controlling interests	$ (49,425)	(28,243)
Comprehensive income, attributable to non-controlling	$ (49,425)	(28,243)

(h) Property, plant and equipment

The cost and accumulated depreciation of the property, plant and equipment of the Group for the year ended December 31, 2025 and 2024 were as follows:

	Land	Buildings and Construction	Machinery and equipment	Leasehold improvements	office equipment	Other equipment	Unfinished construction	Total
Costs								
Balance on January 1, 2025	$ 270,496	51,264	1,819	1,356	18,303	3,963	1,440,041	1,787,242
Additions	-	-	112,189	-	5,143	4,885	-	122,217
Reclassification	-	-	1,440,041	-	-	-	(1,440,041)	-
Disposal	-	-	(1,552,230)	-	(911)	-	-	(1,553,141)
Effects of changes in foreign exchange rates	-	-	5	5	12	2	-	24
Balance on December 31, 2025	$ 270,496	51,264	1,824	1,361	22,547	8,850	-	356,342
Balance on January 1, 2024	$ 270,496	51,264	1,171	4,236	18,118	2,278	-	347,563
Additions	-	-	524,954	-	3,911	2,130	1,440,041	1,971,036
Disposal	-	-	(524,347)	(3,057)	(3,980)	(462)	-	(531,846)
Effects of changes in foreign exchange rates	-	-	41	177	254	17	-	489
Balance on December 31, 2024	$ 270,496	51,264	1,819	1,356	18,303	3,963	1,440,041	1,787,242
Depreciation and impairment losses:								
Balance on January 1, 2025	$ -	5,775	1,141	1,288	8,087	991	-	17,282
Additions	-	1,699	624	-	4,233	1,205	-	7,761
Disposal	-	-	(527)	-	(864)	-	-	(1,391)
Effects of changes in foreign exchange rates	-	-	4	5	5	1	-	15
Balance on December 31, 2025	$ -	7,474	1,242	1,293	11,461	2,197	-	23,667
Balance on January 1, 2024	$ -	4,076	1,054	3,851	8,011	854	-	17,846
Additions	-	1,699	51	307	3,815	566	-	6,438
Disposal	-	-	-	(3,035)	(3,894)	(443)	-	(7,372)
Effects of changes in foreign exchange rates	-	-	36	165	155	14	-	370
Balance on December 31, 2024	$ -	5,775	1,141	1,288	8,087	991	-	17,282

(Continued)

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		Land	Buildings and Construction	Machinery and equipment	Leasehold improvements	office equipment	Other equipment	Unfinished construction	Total
Carrying amounts:									
Balance on December 31, 2025	$	270,496	43,790	582	68	11,086	6,653	-	332,675
Balance on December 31, 2024	$	270,496	45,489	678	68	10,216	2,972	1,440,041	1,769,960
Balance on January 1, 2024	$	270,496	47,188	117	385	10,107	1,424	-	329,717

(i) In order to expand its business and rendering various kinds of services, the Company built a total of 52 GPU servers, which were completed in June 2024, based on a resolution approved during its board meeting held on March 12, 2024. After continuous evaluation and consideration due to a number of factors such as the long preparation time of the professional AI computing team, the difficulty in technology training, and the timing of the AI cloud market, instead of building its own organizational team to operate in cloud services in July, the Company entered into an agreement with GMI Computing International Ltd., a related party, to lease out the GPU servers that have been built, to which it charge a rental fee from them.

(ii) The 127 GPU servers acquired by the Company have been received and installed as of March 31, 2025 for cloud computing operations, based on the resolution approved during its board meeting held on September 5, 2024. Moreover, the said equipment was recognized as "payable on machinery equipment" as of December 31, 2025, and December 31, 2024 since the relevant construction work has been completed and the servers were leased to GMI Computing, wherein the rental fees of $0 thousand and $912,248 thousand, respectively, have been collected.

(iii) Based on the decisions made by its board on September 5 and October 22, 2024, to be submitted during its shareholders' meeting for approval on December 10, 2024, the Group recognized the above lease, and the disposal of the subject asset, as a finance lease because the lease included the entire remaining term of the head lease, and finance lease receivable, respectively. Please refer to note 6(d) and note 7 for the finance lease payment receivable disclosed in the following table and related party transactions, respectively.

(iv) As of December 31, 2025 and 2024, certain property, plant and equipment of the Group had been pledged as collateral. Please refer to note 8.

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(i) Right-of-use assets

		Buildings and Construction	Transportation Equipment	Total
Cost:				
Balance on January 1, 2025	$	32,642	6,528	39,170
Additions		19,970	-	19,970
Reduction		(30,169)	(6,528)	(36,697)
Effects of changes in foreign exchange rates		(299)	-	(299)
Balance on December 31, 2025	$	**22,144**	**-**	**22,144**
Balance on January 1, 2024	$	36,748	6,528	43,276
Additions		6,244	-	6,244
Reduction		(11,923)	-	(11,923)
Effects of changes in foreign exchange rates		1,573	-	1,573
Balance on December 31, 2024	$	**32,642**	**6,528**	**39,170**
Depreciation:				
Balance on January 1, 2025	$	23,540	4,352	27,892
Depreciation		13,053	2,176	15,229
Reduction		(30,169)	(6,528)	(36,697)
Effects of changes in foreign exchange rates		(449)	-	(449)
Balance on December 31, 2025	$	**5,975**	**-**	**5,975**
Balance on January 1, 2024	$	20,590	2,176	22,766
Depreciation		13,935	2,176	16,111
Reduction		(11,923)	-	(11,923)
Effects of changes in foreign exchange rates		938	-	938
Balance on December 31, 2024	$	**23,540**	**4,352**	**27,892**
Carrying amounts：				
Balance on December 31, 2025	$	**16,169**	**-**	**16,169**
Balance on December 31, 2024	$	**9,102**	**2,176**	**11,278**
Balance on January 1, 2024	$	**16,158**	**4,352**	**20,510**

(Continued)

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(j) Short-term notes and bills payable

	December 31, 2025		
	Guarantee or acceptance institution	**Range of interest rates**	**Total Amount**
Commercial paper payable	Dah Chung Bills Finance Corp.	1.91%	$ 150,000
Commercial paper payable	Taiwan Finance Corporation	1.92%	100,000
Commercial paper payable	Mega Bills Finance Co., LTD.	1.93%	100,000
Less: Discount on short term notes and bills payable			(142)
Total			$ 349,858

	December 31, 2024		
	Guarantee or acceptance institution	**Range of interest rates**	**Total Amount**
Commercial paper payable	Dah Chung Bills Finance Corp.	2.099%	$ 150,000
Commercial paper payable	Taiwan Finance Corporation	2.100%	100,000
Commercial paper payable	Taiwan Cooperative Bills Finance Corporation	2.058%	100,000
Commercial paper payable	Ta Ching Bills Finance Corporation.	1.988%	100,000
Less: Discount on short term notes and bills payable			(674)
Total			$ 449,326

For the collateral for short-term notes and bills payable, please refer to note 8.

(k) Short-term borrowing

The short-term borrowings were summarized as follows:

	December 31, 2025	**December 31, 2024**
Unsecured bank loans	$ 2,357,693	1,815,898
Secured bank loans	280,000	280,000
	$ 2,637,693	**2,095,898**
Unused short-term credit lines	**$ 7,917,796**	**5,978,199**
Range of Interest rate	**1.85%~5.49%**	**1.88%~6.29%**

For the collateral for bank loans, please refer to note 8.

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(l) Bonds Payable

	December 31, 2025	December 31, 2024
Total convertible corporate bond issued	$ 1,000,000	1,000,000
Less:unamortised discount on corporate bonds payable	(32,558)	(53,678)
Cumulative converted amount	(100)	-
Balance of corporate bonds payable at end of period	**$ 967,342**	**946,322**
Embedded derivative – recallable right, included in financial assets at fair value through profit or loss	**$ -**	**1,200**
Equity component – conversion options, included in capital surplus– stock options	**$ 65,865**	**65,872**

	2025	2024
Embedded derivative – recallable right at fair value through profit or loss, included in financial liabilities at fair value through profit or loss	**$ (1,200)**	**(600)**
Interest expense	**$ 21,116**	**10,385**

For the year ended December 31, 2025, the Group had one convertible corporate bond exercised by the bondholder. The conversion price was $73.5, resulting in the issuance of 2 thousand common shares.

(i) The principal terms of issue of the first convertible corporate bonds are as follows:

1) Periods: 3 Year (As of June 25, 2024 to June 25, 2027)

2) Cupon rate：0%

3) Redemption method: The Company may redeem the bonds under the following circumstances:

A. For the period from 3 months after the issuance date to the 40 days before the expiration of the issuance period. If the Company's ordinary shares, which are listed on the Taiwan Stock Exchange (TWSE), have a closing price exceeding the current conversion price more than 30% for 30 consecutive business days, the Company has the right to redeem the bonds at the face value.

B. The conversion price at the time of issuance was $76.8 per share, and in the event of an adjustment to the conversion price of the Company's common shares in accordance with the provisions of the issuance terms, the conversion price shall be adjusted in accordance with the formula specified in the issuance terms. The bonds contain no reset clause. As of December 31, 2025, the conversion price was $73.2 per share.

(Continued)

4) Conversion Method:

A. Creditors may apply for conversion into ordinary shares of the Company in accordance with the conversion method from September 26, 2024 to June 25, 2027.

B. Conversion Price: $76.8 per share at the time of issuance, and in the event of an adjustment of the conversion price of the Company's common shares in accordance with the provisions of the issuance terms, the conversion price shall be adjusted in accordance with the formula specified in the issuance terms.

(m) Lease liabilities

The carrying amounts of the Group’s lease liabilities were as follows:

	December 31, 2025	December 31, 2024
Current	$ 9,334	10,592
Non-current	$ 7,184	1,463

The amounts of leases recognized in profit or loss were as follows:

	2025	2024
Interest expense on lease liabilities	$ 681	826
Expenses relating to short-term leases	$ 1,959	1,999

The amounts of leases recognized in the statement of cash flows for the Group was as follows:

	2025	2024
Total cash outflow for leases	$ 18,284	19,315

The Group leases buildings for its office space and employee housing, with terms that typically run for the periods of five and two years, respectively. Some leases include an option to extend the lease for the same period as the original contract upon maturity. To the extent that it is not reasonably certain that an optional extension of the lease term will be exercised, payments related to the period covered by the option are not included in the lease liability.

(n) Employee benefits

(i) Defined benefit plans

Reconciliation of defined benefit obligation at present value and plan asset at fair value are as follows:

	December 31, 2025	December 31, 2024
Present value of the defined benefit obligations	$ 7,413	8,635
Fair value of plan assets	(14,212)	(14,766)
Net defined benefit (asset) liability	$ **(6,799)**	**(6,131)**

(Continued)

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The Group makes defined benefit plan contributions to the pension fund account with Bank of Taiwan that provides pension benefits for employees upon retirement. Plans (covered by the Labor Standards Law) entitle a retired employee to receive retirement benefits based on years of service and average monthly salary for the six months prior to retirement.

1) Composition of plan assets

The Group allocates pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local banks.

The Group' s Bank of Taiwan labor pension reserve account balance amounted to $14,212 thousand as of December 31, 2025. For information on the utilization of the labor pension fund assets, including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

2) Movements in present value of defined benefit obligations

The movement in present value of the defined benefit obligations of the Group were as follows:

	For the year ended December 31,	
	2025	**2024**
Defined benefit obligations at January 1	$ 8,635	12,175
Current service cost and interest cost	138	146
Net defined benefit liability remeasurement	764	(494)
Benefits paid	(2,124)	(3,192)
Defined benefit obligations at December 31	**$ 7,413**	**8,635**

(Continued)

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3) Movements in fair value of defined benefit plan assets

The movements in the present value of the defined benefit plan assets for the Group were as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Fair value of plan assets at January 1	$ (14,766)	(14,562)
Interest income	(239)	(177)
Net defined benefit asset remeasurement	(1,029)	(1,272)
Contributions paid by the employer	(302)	(351)
Benefits paid	2,124	1,596
Fair value of plan assets at December 31	**$ (14,212)**	**(14,766)**

4) Expenses recognized in profit or loss

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

	For the year ended December 31, 2025	For the year ended December 31, 2024
Current service cost and interests	$ 138	146
Net interest of net liabilities for defined benefit obligations	(239)	(177)
	$ (101)	**(31)**

	For the year ended December 31, 2025	For the year ended December 31, 2024
Operating expenses	**$ (101)**	**(31)**

5) Remeasurement of the net defined benefit liabilities recognized in other comprehensive income

The cumulative remeasurement of the Group's net defined benefit obligation recognized in other comprehensive income were as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Cumulated amount at January 1	$ 1,880	114
Total gain/loss recognized	265	1,766
Cumulated amount at December 31	**$ 2,145**	**1,880**

(Continued)

6) Actuarial assumptions

The principal actuarial assumptions of the actuarial valuation were as follows:

	For the year ended December 31,	
	2025	**2024**
Discount Rate	1.30 %	1.60 %
Future salary increases	3.00 %	3.00 %

The expected allocation payment to be made by the Group to the defined benefit plans for the one year period after the reporting date is $257 thousand.

The weighted average lifetime of the defined benefits plans is 5.5 years.

7) Sensitivity analysis

If the actuarial assumptions had changed, the impact on the present value of the defined benefit obligation shall be as follows:

	Impact on the defined benefit obligations	
	Increased 1.00%	**Decreased1.00%**
Balance at December 31, 2025		
Discount Rate	$ (413)	418
Future salary increases	358	(355)
Balance at December 31, 2024		
Discount Rate	(463)	468
Future salary increases	397	(394)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown above. In practical, the relevant actuarial assumptions are correlated to each other. The method used in the sensitivity analysis is consistent with the calculation of pension liabilities in the balance sheets.

There is no change in the method and assumptions used in the preparation of the sensitivity analysis for 2025 and 2024.

(ii) Defined contribution plans

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

(Continued)

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The total pension costs of the Group's overseas subsidiaries under their respective defined contribution plan are recognized in accordance with their local regulations. All pension payment contributed in the current period are recognized as pension expense.

The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to $17,229 thousand and $14,118 thousand for the years ended December 31, 2025 and 2024, respectively.

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

	For the years ended December 31,	
	December 31, 2025	**December 31, 2025**
Short-term paid leave liabilities (presented under other payables)	$ **2,662**	**1,531**

(o) Income taxes

(i) Income tax expenses

The components of income tax expense (gains) in the years ended December 31, 2025 and 2024 were as follows:

	2025	**2024**
Current tax expense		
Current period	$ 114,691	84,342
Deferred tax expense (income)		
Origination and reversal of temporary differences	(17,541)	25,130
Income tax expense	$ **97,150**	**109,472**

Reconciliation of income tax expense and profit before tax for 2025 and 2024 is as follows:

	For the year ended December 31,	
	2025	**2024**
Profit before income tax	$ **336,328**	**467,607**
Income tax using the Company's domestic tax rate	$ 67,266	93,522
Effect of tax rates in foreign jurisdiction	(455)	(1,407)
Permanent difference	5,151	1,882
Change in unrecognized temporary differences	3,572	12,587
Additional tax on undistributed earnings	6,083	4,774
Others	15,533	(1,886)
Total	$ **97,150**	**109,472**

(ii) eferred tax assets and liabilities

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1) Unrecognized deferred tax assets

Deferred tax assets have not been recognized with respect to the following items:

	December 31, 2025	December 31, 2024
Tax effect of deductible Temporary Differences	$ 128,940	125,368

The deferred tax assets have not been recognized in respect of the these items because it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom.

2) Recognized deferred tax assets

Changes in the amount of deferred tax assets for 2025 and 2024 were as follows:

	Unrealized exchange gains
Balance at January 1, 2025	$ 9,194
Recognized in profit or loss	(9,194)
Balance at December 31, 2025	$
Balance at January 1, 2024	$ -
Recognized in profit or loss	9,194
Balance at December 31, 2024	**$ 9,194**

The movements in deferred tax assets were as follows:

	Allowance for bad debt	Unrealized exchange loss	Other	Total
Balance at January 1, 2025	$ 5,172		5,755	10,927
Recognized in profit or loss	(676)	8,026	997	8,347
Balance at December 31, 2025	**$ 4,496**	**8,026**	**6,752**	**19,274**
Balance at January 1, 2024	$ 6,956	15,759	4,148	26,863
Recognized in profit or loss	(1,784)	(15,759)	1,607	(15,936)
Balance at December 31, 2024	**$ 5,172**	**-**	**5,755**	**10,927**

There were no income tax expense recognized the Group equity and other comprehensive income for amount on December 31, 2025 and 2024.

The Company' s tax returns for the years through 2022 were assessed by the National Taxation Bureau of R.O.C.

(Continued)

(p) Capital and other equity

As of December 31, 2025 and 2024, the total value of authorized ordinary shares was amounted to \$3,000,000 thousand and \$2,000,000 thousand, respectively. The number of authorized ordinary shares were 300,000 thousand shares and 200,000 thousand shares with par value of \$10 per share, of which 182,627 thousand shares and 162,625 thousand shares of ordinary shares were issued, respectively. All issued shares were paid up upon issuance.

Reconciliation of shares outstanding for year ended December 31, 2025 and 2024 were as follows:

	Ordinary share	
	For the year ended December 31,	
(in thousands of shares)	**2025**	**2024**
Balance on January 1	162,625	162,625
Issued for cash	20,000	-
Conversion of convertible bonds	2	-
Balance on December 31	**182,627**	**162,625**

(i) Issuance of Common Shares

From January 1 to December 31, 2025, the Company issued 2 thousand new shares upon the exercise of conversion rights by the holders of convertible bonds. The shares were issued at par value, with total proceeds of \$14 thousand. The capital increase base date was October 28, 2025, and the related statutory registration procedures have been completed.

On July 3, 2025, the Company's Board of Directors resolved to undertake a cash capital increase and issue 20,000 thousand common shares at an issue price of \$39.8 per share (including premium), with total proceeds of \$796,000 thousand. The capital increase base date was October 29, 2025. All subscription payments for the issued shares have been collected, and the related statutory registration procedures have been completed.

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(ii) Capital surplus

The balance of capital surplus as of December 31, 2025 and 2024, were as follows:

	December 31, 2025	December 31, 2024
Share capital at premium	$ 816,030	219,941
Capital Surplus from actual acquisition or disposal of subsidiary equity at a price different from book value	558	370
Changes in net equity of associates recognized by equity method	36	36
Employee stock options	8,043	3,139
Subsidiary cash capital increase	82,415	19,710
Convertible corporate bonds stock options	65,865	65,872
	$ 972,947	**309,068**

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

The Group did not participate in the cash capital increase of its subsidiary, Rehear Audiology, who issued 1,000 thousand shares, at a par value of $5 per share and an issue price of $80, with the base date set on August 1, 2024, based on its board meeting held on March 25, 2024. Instead, the entire shares above, totaling $80,000 thousand, had been fully subscribed, with the relevant procedures having been completed on August 16, 2024, resulting in the Group’ s shareholding ratio to decrease from 27.05% to 25.76%, while maintaining control over Rehear Audiology and its relevant activities. Considering the future business development needs of its subsidiary and to optimize the shareholder structure, the Group repurchased 390 thousand shares on March 21, 2025, increasing its ownership percentage from 25.76% to 27.62%. Furthermore, the above transaction resulted in an increase of $188 thousand in the Group's capital reserve.

The subsidiary of the Group, Rehear Audiology, completed a cash capital increase on April 25, 2025, as approved by its board of directors. A total of 3,525 thousand new shares were issued at a par value of $5 per share and an issue price of NT$80 per share, with total proceeds of $282,000 thousand. The base date for the capital increase was set on June 24, 2025. The Group did not subscribe to the new shares in proportion to its original shareholding, resulting in a decrease in its ownership percentage from 27.62% to 23.65%, an increase of $62,705 thousand in capital reserve.

On July 3, 2025, the Board of Directors resolved to conduct a capital increase through the issuance of new shares for cash. In accordance with applicable regulations, a portion of the new shares was reserved for employee subscription. Please refer to note 6(y) for further details.

(iii) Retained earnings

In accordance with the Company's Articles of Association, if there is any surplus in the annual final accounts, the Company shall first pay taxes to cover for the prior years' deficits and then set aside 10% of the legal reserve, except when the legal reserve has reached the Company's paid-in capital; in addition, special reserve shall be set aside in accordance with the Company's operating needs and laws and regulations. Then any remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the shareholders' meeting for approval.

In order to maintain a sound financial structure and to take into account the interests of investors, the Company adopts a balanced dividend policy by distributing no less than 30% of the distributable earnings and paying cash dividends on 10% or more of the dividends distributed in a given year. If the dividend is less than $3, the Company may distribute stock dividends in full.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

In accordance with Permit No. 1010012865 as issued by the Financial Supervisory Commission on 6 April 2012, a special reserve equal to the contra account of other shareholders' equity is appropriated from current and prior period earnings. When the debit balance of any of the contra accounts in the shareholders' equity is reversed, the related special reserve can be reversed. The subsequent reversals of the contra accounts in shareholders' equity shall qualify for additional distributions.

3) Earnings distribution

The Company's shareholders' meeting approved the distribution of earnings for 2024 on June 25, 2025, and approved the distribution of earnings for 2023 on June 26, 2024. The amounts of dividends distributed to shareholders were as follows:

	For the year ended December 31,			
	2024		2023	
	Amount per share	Total Amount	Amount per share	Total Amount
Dividends distributed to ordinary shareholders:				
Cash	$ 1.40	**227,675**	1.20	**195,150**

On March 9, 2026, the Board of Directors proposed a plan for the earnings distribution for the year ended 2025. The dividends allocated to owners of common shares were as follows:

	For the year ended December 31,	
	2025	
	Amount per share	Total Amount
Dividends distributed to ordinary shareholders:		
Cash	$ 1.30	**237,415**

(iv) Other equity

	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	Total
Balance on January 1, 2025	$ 192,754	1,497	194,251
Exchange differences on translation of net assets of foreign operations	(104,458)	(410)	(104,868)
Balance on December 31, 2025	**$ 88,296**	**1,087**	**89,383**
Balance on January 1, 2024	$ 33,510	443	33,953
Exchange differences on translation of net assets of foreign operations	159,244	1,054	160,298
Balance on December 31, 2024	**$ 192,754**	**1,497**	**194,251**

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(q) Earnings per share

(i) Basic earnings per share

For the years ended December 31, 2025 and 2024, the Company's basic earnings per share were calculated based on the profit attributable to owners of the parent and the weighted average number of outstanding common shares, as follows:

	2025	2024
Profit attributable to ordinary shareholders of the Company	$ **288,603**	**386,378**
Weighted-average number of outstanding ordinary shares	**166,133**	**162,625**
Basic earnings per share	$ **1.74**	**2.38**

(ii) Diluted earnings per share

The details on the calculation of diluted earnings per share as of December 31, 2025 and 2024 was based on the profit attributable to ordinary shareholders of the Company, and the weighted average number of ordinary shares outstanding after adjusting the effects of all dilutive potential ordinary shares is as follows:

	2025	2024
Profit attributable to ordinary shareholders of the Company	$ 288,603	386,378
Interest expense on convertible bonds, net of tax and gains on remeasurements of redemption of convertible corporate bonds at fair value	18,093	8,908
Profit attributable to ordinary shareholders of the Company (dilutive)	$ **306,696**	**395,286**
	2025	**2024**
Weighted-average number of ordinary shares outstanding (basic)	$ 166,133	162,625
Effect of convertible corporate bonds	13,661	6,778
Effect of employee share bonus	14	13
Weighted-average number of ordinary shares outstanding at December 31 (Dilution)	$ **179,808**	**169,416**
Diluted earnings per share	$ **1.71**	**2.33**

(Continued)

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(r) Revenue from contracts with customers

(i) Details of revenue

		2025	2024
Primary geographical markets:			
Taiwan	$	625,531	498,102
United States		186,828	-
China		19,589,873	16,430,577
Other		613,366	780,760
	$	**21,015,598**	**17,709,439**
Major products/service lines:			
Digital Communication Solutions and Components	$	17,995,703	15,702,724
Storage Applications Solutions and Components		2,601,601	1,821,575
Analog Electronic Components		170,142	147,023
Server lease interest revenue		248,152	38,117
	$	**21,015,598**	**17,709,439**

(ii) Contract balances

		December 31, 2025	December 31, 2024	January 1, 2024
Notes receivable	$	125,832	202,550	91,960
Accounts receivable		4,304,118	3,904,248	3,115,349
Accounts receivable due from related parties		119,584	10,993	7,161
Less: Loss allowance		(36,982)	(37,027)	(33,650)
Total	$	**4,512,552**	**4,080,764**	**3,180,820**

		December 31, 2025	December 31, 2024	January 1, 2024
Contract liabilities	$	**67,929**	**14,657**	32,795

For the years ended December 31, 2025 and 2024, the initial carrying amount of contract liabilities as of January 1 was recognized as revenue in the amounts of $9,341 thousand and $27,903 thousand, respectively.

For details on notes and accounts receivable and allowance for impairment, please refer to note 6(c).

For details on finance lease payment receivable and allowance for impairment, please refer to note 6(d).

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

On June 25, 2025, the Company resolved at the shareholders’ meeting to amend its Articles of Incorporation. According to the amended Company Article of Incorporation, if the Company incurs profit for the year, the profit shall first be used to offset against any accumulated deficits. Thereafter, a maximum of 2% (in cash) of the remaining net profit shall be allocated as remunerations to directors and supervisors, and not less than 1% (in shares or in cash) as employee remuneration, including a minimum of 15% to those base-level employees. The distribution shall also include those employees of the Company's subsidiaries who meet certain requirements.Prior to the amendment, the Articles of Incorporation stipulated that, if the Company incurs profit for the year, the profit shall first be used to offset against any accumulated deficits. Thereafter, a maximum of 2% (in cash) of the remaining net profit shall be allocated as remunerations to directors and supervisors, and a minimum of 0.1% (in shares or in cash) as employee remuneration, including those employees of the Company's subsidiaries who meet certain requirements.The distribution of employee remuneration, be it in shares or in cash, has to be resolved at the board meeting. Thereafter, the remuneration to each employee, director and supervisor should be submitted and reported to the shareholders' meeting.

For the years ended December 31, 2025 and 2024, the Company accrued its employee remunerations of $400 thousand and $600 thousand; as well as its remunerations to directors and supervisors of $7,800 thousand and $10,000 thousand, respectively. The estimated amounts mentioned above were calculated based on the net profit before tax, excluding the remuneration to employees, directors and supervisors of each period, multiplied by the percentage of remuneration to employees, directors and supervisors as specified in the Company's articles. These remunerations were expensed under operating costs or operating expenses during the years ended 2025 and 2024. If the actual amounts differ from the estimated amounts, the differences shall be accounted as changes in accounting estimates and recognized as profit or loss in the following year. However, if the Board of Directors resolved that the employee remuneration is distributed through stock dividends, the numbers of shares to be distributed will be calculated based on the closing price of the Company's ordinary shares one day before the date of the meeting of Board of Directors.

The related information can be accessed from market observation post system website. The amounts,as stated in the consolidated financial statements, are identical to those of the actual distributions for 2025 and 2024.

(t) Non-operating income and expenses:

(i) Interest income

Interest income of the Group is detailed as follows:

	2025	2024
Interest income	$ 21,572	54,819

(ii) Other income

The Group's other income was as follows:

		2025	2024
Other income	$	10,640	14,167

(iii) Other gains and losses

The Group's other gains and losses were as follows:

		2025	2024
Foreign exchange gains (losses)	$	(98,135)	114,937
Net gain on financial assets at fair value through profit or loss		1,354	260
Gain or loss on disposals of property, plant and equipment		480	(127)
Miscellaneous disbursements		(445)	-
	$	(96,746)	115,070

(iv) Finance costs

Finance costs of the Group are detailed as follows:

		For the years ended December 31,	
		2025	2024
Interest on bank loans	$	(92,425)	(67,435)
Interest expenses on lease liabilities		(681)	(826)
Interest expenses on convertible corporate bonds		(21,116)	(10,385)
	$	(114,222)	(78,646)

(u) Financial instruments

(i) Credit risk

1) Credit risk exposure

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

2) Concentration of credit risk

The Group's customers are concentrated in a large group of high-tech computer industry customers. In order to reduce the credit risk of accounts receivable, the Group continuously evaluates the financial position of its customers and, if necessary, requires them to provide guarantees or assurances. The Group also regularly evaluates the probability of collection of accounts receivable and provides an allowance for losses.

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3) Credit risk of receivables

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

(ii) Liquidity risk

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

	Carrying amounts	Contractual Cash flows	within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years
December 31, 2025							
Non-derivative financial liabilities							
Short-term borrowings	$ 2,637,693	2,655,047	1,975,906	679,141	-	-	-
Short-term notes payables	349,858	350,000	350,000	-	-	-	-
Accounts payable (including related parties)	2,836,607	2,836,607	2,836,607	-	-	-	-
Payable on machinery and equipment	617	617	617	-	-	-	-
Other payables (including related parties)	105,882	105,882	105,882	-	-	-	-
Lease liabilities	16,518	17,026	6,592	3,159	4,883	2,392	-
Bonds payable	967,342	999,900	-	-	999,900	-	-
	$ 6,914,517	6,965,079	5,275,604	682,300	1,004,783	2,392	-
December 31, 2024							
Non-derivative financial liabilities							
Short-term borrowings	$ 2,095,898	2,116,191	1,967,126	149,065	-	-	-
Short-term notes payables	449,326	450,000	450,000	-	-	-	-
Accounts payable (including related parties)	2,630,490	2,630,490	2,630,490	-	-	-	-
Payable on machinery and equipment	912,248	912,248	912,248	-	-	-	-
Other payables (including related parties)	115,415	115,415	115,415	-	-	-	-
Lease liabilities	12,055	12,219	8,567	2,165	1,480	7	-
Bonds payable	946,322	1,000,000	-	-	-	1,000,000	-
	$ 7,161,754	7,236,563	6,083,846	151,230	1,480	5,652,935	-

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

(Continued)

(iii) Currency risk

1) Exposure of foreign currency risk

The Group’s significant exposure to foreign currency risk was as follows:

	December 31, 2025			December 31, 2024		
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
Financial assets						
Monetary items						
USD	$ 302,668	31.430	9,512,855	248,307	32.785	8,140,745
RMB	737	4.496	3,314	219	4.478	981
Financial liabilities						
Monetary items						
USD	169,020	31.430	5,312,299	131,228	32.785	4,302,310

2) Sensitivity analysis

The Group’s exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, loans and borrowings, accounts payable and other payables that are denominated in foreign currency. A strengthening (weakening) of 1% of the NTD against the USD and the CNY at December 31, 2025 and 2024, would have increased or decreased the profit before tax by $42,039 thousand and $38,394 thousand, respectively. The analysis assumes that all other variables remain constant and was performed on the same basis for both periods.

3) Foreign exchange gains and losses on monetary items

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the the years ended December 31, 2025 and 2024, foreign exchange gain (loss) (including realized and unrealized portions) amounted to $(98,135) thousand and $114,937 thousand, respectively.

(iv) interest rate analysis

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

The following sensitivity analysis is based on the risk exposure to the interest rates risk of derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 1% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

If the interest rate increases or decreases by 1% the Group's net income will decrease /increase by $29,876 thousand and $25,452 thousand for the years ended December 31, 2025 and 2024 with all other variable factors remaining constant. This is mainly due to the Group's variable rate borrowings.

(v) Fair value of financial instruments

1) Fair value hierarchy

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

	December 31, 2025				
		Fair Value			
	Book Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss					
Fund	$ 273,600	273,600	-	-	273,600

	December 31, 2024				
		Fair Value			
	Book Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss					
Fund	$ 91,045	91,045	-	-	91,045
Convertible corporate bond recallable rights	1,200	-	1,200	-	1,200
	$ 92,245	91,045	1,200	-	92,245

2) Valuation techniques for financial instruments measured at fair value

If a financial instrument has a public price in an active market,the public price in an active market is the fair value. Market prices published by major exchanges and central government bond over-the-counter trading centers are considered sought after securities and are the basis for the fair value of listed equity instruments and debt instruments publicly quoted in active markets.

The public price of a financial instrument is provided on a timely and regular basis by an exchange, broker, underwriter, trade association, pricing service or authority, which represents actual and frequent fair market traders. If the above conditions are not met, the market is considered inactive. In general, large bid-ask spreads, increasing bid-ask spreads, or low volume are indicators of market inactivity.

Measurements of fair value of financial instruments without an active market are based on valuation techniques or quoted prices from competitors. Fair values, measured by using valuation techniques that can be derived from the current fair values of other financial instruments with substantially similar terms and characteristics, discounted cash flow analysis, or other valuation techniques, including models utilizing market information available at the reporting date.

(v) Financial risk management

(i) Overview

The Group has exposure to the following risks from its financial instruments:

1) Credit risk

2) Liquidity risk

3) Market risk

The following likewise discusses the Group's exposure information, objectives, policies and processes for measuring and managing the above mentioned risks For more disclosures about the quantitative effects of these risks exposures, please refer to the respective notes in the accompanying non-consolidated financial statements.

(ii) Structure of risk management

The Group's finance management department provides business services for the overall internal department. It monitor and manage financial risks of the the Group's business operation through internal risk report, which analyze the exposure according to risk levels and scopes. The Group manages these risks by natural hedging through timely adjustment of its foreign currency assets and liabilities positions. The Board of Directors regulated the use of derivative financial instruments in accordance with the Group's policy about risks arising from financial instruments such as currency risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments and the investments of excess liquidity. The internal auditors of the Company continue with the review of the amount of the risk exposure in accordance with the Company's policies and the risk management policies and procedures. The Group has no transactions in financial instruments (including derivative financial instruments) for the purpose of speculation. The business and finance departments submit quarterly financial and business reports to the board of directors of the Group in accordance with the procedure of the board meetings.

(iii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

1) Accounts receivable and other receivables

The policy adopted by the Group is to deal only with reputable parties and, where necessary, obtain collateral to mitigate the risk of financial losses arising from default. The Group will rate the major customers using other publicly available financial information and mutual transaction records. The Group continuously monitors credit risk and credit ratings of the counterparty, and distributes the total amount of the transaction to eligible customers of each credit rating. Credit risk exposure is controlled through the credit limit of the counterparty that is reviewed and approved annually by the Risk Management Committee.

2) Investments

The exposure to credit risk for the bank deposits and other financial instruments is measured and monitored by the Group's finance department. The Group only deals with banks, other external parties, corporate organizations, government agencies and financial institutions with good credit rating. The Group does not expect any counterparty above that fails to meet its obligations hence there is no significant credit risk arising from these counterparties.

(iv) Liquidity risk

The Group manages sufficient cash and cash equivalents so as to cope with its operations and mitigate the effects of fluctuations in cash flows. The Group's management supervises the banking facilities and ensures compliance with the terms of loan agreements.

Loans and borrowings from banks form an important source of liquidity for the Group. As of December 31, 2025 and 2024, the Group's unused credit lines amounted to $7,917,796 thousand and $5,978,199 thousand, respectively.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices, will affect the Group income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

1) Currency risk

The Group is exposed to currency risk on sales and purchases and borrowings that are denominated in a currency other than the functional currency of the Group's respective entity, primarily the NTD, USD dollar, HKD and RMB. The currencies used in these transactions are the NTD, USD and RMB.

2) Interest rate risk

The Group borrows funds on fixed and variable interest rates, which have a risk exposure to changes in fair value and cash flow. The Group manages the interest rate risk by maintaining an adequate combination of fixed and variable interest rates.

(w) Capital management

The Group sets its objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return to stockholders, to safeguard the interest of related parties, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the dividend payment and reduce the capital for redistribution to its shareholders, issue new shares, or sell assets to settle any liabilities.

The Group uses the debt-to-equity ratio to manage capital. The net debt from the balance sheet is derived from the total liabilities less cash and cash equivalents. The total capital and equity include share capital, capital surplus, retained earnings, and other equity plus net debt.

The Company's debt-to-equity ratios at the end of the reporting periods were as follows:

	December 31, 2025	December 31, 2024
Total liabilities	$ 7,028,599	7,207,376
Less: Cash and cash equivalents	(2,593,094)	(2,098,460)
Net liabilities	**$ 4,435,505**	**5,108,916**
Total equity	**$ 4,171,028**	**3,183,078**
Debt-to-equity ratio	**51.54 %**	**61.61 %**

The capital management objectives, policies, and procedures of the Group are consistent with those disclosed in the consolidated financial statements. In addition, the quantitative information related to capital management does not differ significantly from the disclosures in the consolidated financial statements.

(x) Investing and financing activities not affecting cash flows

The reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2025	Cash flows	Non-Cash changes: Amortization of discount premium	Conversion of common stock	Lease modification	Foreign exchange movement	December 31, 2025
Short-term notes payables	$ 449,326	(99,468)	-	-	-	-	349,858
Short-term borrowings	2,095,898	541,795	-	-	-	-	2,637,693
Lease liabilities	12,055	(15,644)	-	-	19,970	137	16,518
Bonds payable	946,322	-	21,120	(100)	-	-	967,342
Total liabilities from financing activities	$ 3,503,601	426,683	21,120	(100)	19,970	137	3,971,411

	January 1, 2024	Cash flows	Non-Cash changes: Amortization of discount premium	Lease modification	Foreign exchange movement	December 31, 2024
Short-term notes payables	$ 199,601	249,725	-	-	-	449,326
Short-term borrowings	1,350,950	740,580	-	-	4,368	2,095,898
Long-term borrowings	202,300	(202,300)	-	-	-	-
Bonds payable	-	1,000,000	(53,678)	-	-	946,322
Lease liabilities	21,628	(16,490)	-	6,244	673	12,055
Total liabilities from financing activities	$ 1,774,479	1,771,515	(53,678)	6,244	5,041	3,503,601

(y) share-based payment transaction

(i) The Group's Board of Directors resolved to implement the issuance of stock for cash on July 3, 2025, of which 2,000 thousand shares were reserved for employee subscription. Relevant information is as follows:

	Cash injection reserved for employees subscription
Grant date	Balance at September 22, 2025
Number of options granted	1,226 thousand shares
Recipients	Employee
Vesting conditions	Immediately vested

The Group adopted the option pricing model to evaluate the fair value of the share-based payments on the grant date. The assumptions adopted in this valuation model were as follows:

The fair value per unit of the share option was $4.00 and the remuneration cost of $4,904 thousand was recognized in 2025 and classified as operating expenses. Please refer to note 6(p) for the capital reserve recognition.

(ii) Employee expenses attributable to share based payment are as follows:

	For the years ended December 31, 2025
Expenses resulting from granted employee share options	$ 4,904

(z) Net cash outflow for the acquisition of property, plant, and equipment

	December 31, 2025	December 31, 2024
Cash on hand	$ 122,217	1,971,036
Less: Ending balance of payables for equipment	(617)	(912,248)
Add: Beginning balance of payables for equipment	912,248	-
	$ 1,033,848	1,058,788

(7) Related-party transactions

(a) Names and relationship with related parties

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

Name of related party	Relationship with the Group
Unitech Electronics Co., Ltd. (hereinafter referred to as "Unitech Electronics")	Investee company accounted for using the equity method by the Group
Realtek Semiconductor Corp. (hereinafter referred to as "Realtek")	The Chairman of the company is the beneficial party of the entity
Realtek Singapore private Limited (hereinafter referred to as "Realtek Singapore")	Subsidiary of Realtek Semiconductor Co.
RayMx Microelectronics Corp (hereinafter referred to as RayMx)	Subsidiary of Realtek Semiconductor Co.
Actions Technology (HK) Company Ltd. (hereinafter referred to as " Actions (HK)").	The Chairman of the company is the beneficial party of the entity
GMI Computing International Ltd.(hereinafter referred to as"GMI Computing)	The Chairman of the company is the immediate family member of the Chairman of the company
GMI Cloud US INC(hereinafter referred to as" GMI Cloud US")	The Chairman of the company is the immediate family member of the Chairman of the company.
HI-JET INCORPORATION (hereinafter referred to as "HI-JET")	The Chairman of the company is the same as of the Chairman of the company
Realsil Microelectronics (Suzhou) Co., Ltd. - Realsil (hereinafter referred to as "Realsil")	Subsidiary of Realtek Semiconductor Co.

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Name of related party	Relationship with the Group
UNITECH COMPUTER CO.,LTD.(hereinafter referred to as "UNITECH COMPUTER")	The Chairman of the company is the same as that of entity.
Chia-Wen Yeh	The Chairman of the company.
Wan-Yu Cho	The senior manager of the company.
Po-Jen Liao	The senior manager of the company.

(b) Significant related-party transactions

(i) Sales revenue

The amounts of significant sales transactions between the Group and related parties were as follows:

	2025	2024
Other related parties-Realtek	$ 71,234	43,803
Other related parties-Realtek Singapore	35,899	32,119
Other related parties-Unitech Electronics	150	188
	$ 107,283	**76,110**

The sales price to related parties is not significantly different from that of the general sales price. Receivables between related parties are not subject to collateral based on the Group's assessment.

(ii) Purchases

The amounts of significant purchases by the Group from related parties were as follows:

	2025	2024
Other related parties-Realtek	$ 11,831,953	9,641,381
Other related parties-Realtek Singapore	4,874,522	4,823,391
Other related parties-RayMx	188,500	104,429
Other related parties-Actions (HK)	265,826	299,451
Other related parties-Realsil	5	-
	$ 17,160,806	**14,868,652**

The Group did not purchase the product specifications from the related party from other vendors, so the purchase price was not comparable to other vendors. The payment terms were not significantly different from those of non-related-parties.

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(iii) Receivables from related parties

The receivables from related parties were as follows:

Account	Relationship	December 31, 2025	December 31, 2024
Receivables from related parties	Realtek	$ 6,254	2,539
Receivables from related parties	Realtek Singapore	11,655	8,407
Receivables from related parties	Unitech Electronics	-	47
		$ 17,909	**10,993**

(iv) Payable to related parties

The payables to related parties were as follows:

Account	Relationship	December 31, 2025	December 31, 2024
Payables to related parties	Realtek	$ 1,606,612	1,343,386
Payables to related parties	Realtek Singapore	553,896	1,057,514
Payables to related parties	RayMx	49,291	36,050
Payables to related parties	Actions (HK)	28,887	31,289
		$ 2,238,686	**2,468,239**

(v) Property transaction

1) In April 2024, the Group sold its 200 thousand shares in Rehear Audiology to its management for $1,000 thousand, which has already been received. As the Company considers its development and improvement of its shareholder structure, it has reached an agreement with the aforementioned management on December 31, 2024 for the Group to repurchase the entire shares above at the original price on March 21, 2025, wherein the payment has been made as of the reporting date.

2) On March 11, 2025, the Group sold equipment to a related party for a total consideration of $14,253 thousand, as approved by the Board of Directors on March 11, 2025, resulting in a loss of $527 thousand. In addition, the Group also purchased equipment from GMI Computing for a total of $7,857 thousand. As of December 31, 2025, the outstanding net receivable related to both transactions has been fully collected. For further details on property, plant, and equipment, please refer to Note 6(h).

3) In 2025, the Group sold computer peripherals to another related party, GMI Computing, with the related receivable amounting to $1,438 thousand. As of December 31, 2025, the related amount had not yet been collected and was recorded under “ Other receivables-related parties”.

(vi) Financial leases

1) The Group entered into two 5-year lease agreements, at the total contract amounts of \$2,202,835 thousand (US\$66,340 thousand) and \$747,936 thousand (US\$23,402 thousand), for its 127 and 52 units of GPU servers to be leased out to its related party, GMI Computing, starting from March 1, 2025 and July 1, 2024, with the monthly rentals of US\$1,106 thousand (excluding tax) and US\$390 thousand (excluding tax) within seven days after invoicing, wherein the Group had obtained the principal notes of \$76,855 thousand and \$6,238 thousand, respectively, from GMI Computing .

   The lease periods under the aforementioned agreements cover the major useful life of the underlying assets. Based on the contractual terms, substantially all risks and rewards incidental to ownership of the assets have been transferred. Therefore, theGroup has classified these leases as finance leases. On March 1, 2025 (the lease commencement date) and July 1, 2024 (the lease commencement date), the Group derecognized the machinery and equipment costs of \$1,537,977 thousand and \$524,347 thousand, respectively. and recognized finance lease receivables from the related party.

2) On May 9,2025, the board of directors approved revisions of the server transaction terms, resulting in a lease modification loss of \$49,012 thousand (US\$1,673 thousand), which was recorded under "Operating costs".

3) On December 26, 2024, the Group's shareholders' meeting approved an adjustment based on actual operating comditions, whereby 127 units of H200 GPU servers were transferred to the U.S. subsidiary, GMI USA, at a sale price of USD44,233 thousand (approximately NTD1,390,243 thousand), to be received in 36 installments. In addition, the original lessee, GMI Computing International LTD. Taiwan Branch (CAYMAN ISLANDS REPUBLIC) (hereinafter “GMI Computing”), agreed to change the lessee from GMI Computing to GMI Cloud US Inc. Other terms of the transaction, including the lease period and monthly lease payments, remained unchanged; therefore, the Group signed a supplementary agreement with the related party on December 26, 2025, to transfer all rights and obligations under the equipment lease agreement dated January 10, 2025, to GMI USA and GMI Cloud US Inc.

4) Due to market factors, GMI Computing negotiated with the Company to terminate the lease agreements for certain servers and committed to bear any losses incurred by the Company as a result of the disposal of the related assets. On October 20, 2025, the Board of Directors approved the termination of the lease agreements for 31 servers. Subsequently, the Company sold such servers to Konsttech LTD. on October 27, 2025, for a total consideration of USD5,019 thousand (approximately NTD154,185 thousand), which was fully collected in October 2025. In addition, pursuant to the agreement between the Company and GMI Computing, GMI Computing bore the disposal loss totaling USD 3,000 thousand (approximately NTD93,000 thousand), and the related compensation was fully received in December 2025.

5) During the years ended 2025 and 2024, the Company recognized rental interest income and the present value of the related lease receivables arising from the above transactions. For related disclosures, please refer to Notes 6(d) and 6(r). Cash collections from finance lease receivables amounted to NTD372,653 thousand (USD11,955 thousand) and NTD75,482 thousand (USD2,340 thousand), respectively.

(Continued)

(vii) Others

1) During the period from December 31, 2025, the Group paid server room rental and related expenses amounting to $50,386 thousand (excluding VAT) on behalf of another related party, GMI Computing. As of December 31, 2025, the related outstanding amount was recorded under "Other receivables – related parties."

2) During the periods from December 31, 2025, the Group paid investment advisory fees of $1,524 thousand and $2,286 thousand, respectively, to other related parties. In addition, during the period from December 31, 2025, the Group paid cloud server maintenance fees of $1,187 thousand to other related parties, wherein the payment has been made as of December 31, 2025.

(viii) Details of the accounts receivable, accounts receivable – related parties, and lease receivables arising from the transactions described in Items 6 and 7 above are as follows:

Account	Relationship	December 31, 2025	December 31, 2024
Accounts receivable – related parties	GMI Computing	$ 101,675	-
Other receivables – related parties	GMI Computing	51,824	-
Net investment in finance lease – related parties	GMI Computing	161,085	505,046
Net investment in finance lease – related parties	GMI Cloud US	1,235,094	-
		$ 1,549,678	**505,046**

(ix) Endorsements and guarantees

As of December 31, 2025 and 2024, the Group's bank loans were jointly guaranteed by the chairman of the Company to the extent of $0 thousand and $250,000 thousand, respectively.

(c) Key management personnel compensation

Key management personnel compensation includes:

	2025	2024
Short-term employee benefits	$ 33,390	31,984
Post-employment benefits	164	271
	$ 33,554	**32,255**

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(8) Pledged assets:

The carrying values of pledged assets were as follows:

Pledged assets	Object	December 31, 2025	December 31, 2024
Time deposits (classified under other financial assets)	Bank loan limit	$ 243,223	231,596
Property, plant and equipment	Short-term bank loans	293,959	294,867
Stock (classified under Investments accounted for using the equity method)	Short-tern notes and bills payable	-	231,361
Finance lease receivables (note)	Short-term bank loans	-	505,046
		$ 537,182	1,262,870

Note: Since the machinery and equipment were recognized as assets held under finance leases, the amount of net lease investment had been accounted for as finance lease receivables.

(9) Commitments and contingencies:

(a) Guarantees provided by the Group's bank to its suppliers for the delivery of goods:

	December 31, 2025	December 31, 2024
Purchase Guarantee	$ 392,870	306,710

(b) The amount of unused outstanding letters of credit were as follows:

	December 31, 2025	December 31, 2024
Outstanding standby letters of credit	$ 2,244,089	2,924,951

(c) The tax payable on imported goods guaranteed by the Group's bank:

	December 31, 2025	December 31, 2024
Taxes on imported goods guaranteed by banks	$ 4,000	4,000

(d) As of December 31, 2025 and 2024, the Group had issued $1,222,645 thousand and $1,252,645 thousand, respectively, of guarantee notes for the purchase of goods from vendors.

(10) Losses Due to Major Disasters:None.

(11) Subsequent Events:None.

(12) Other:

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

By funtion / By item	For the years ended December 31					
	2025			2024		
	Cost of sales	Operating expenses	Total	Cost of sales	Operating expenses	Total
Employee benefits						
Salary	-	260,361	260,361	-	249,172	249,172
Labor and health insurance	-	15,625	15,625	-	13,787	13,787
Pension	-	17,128	17,128	-	14,087	14,087
Others	-	15,510	15,510	-	10,500	10,500
Depreciation	-	22,990	22,990	-	22,549	22,549

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(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group:

(i) Loans to other parties: None.

(ii) Guarantees and endorsements for other parties:None.

(iii) Securities held as of December 31, 2025 (excluding investment in subsidiaries, associates and joint ventures):

Company holding securities	Security type and name	Relationship with company	Account	December 31, 2025				Remark
				Shares (in thousands)	Carrying value	Percentage of ownership (%)	Market value (or net valu)	
Rehear Audiology Company Ltd.	CTBC Hua Win Money Market Fund	-	Non-current financial assets at fair through profit or loss	-	273,600	- %	273,600	-

(iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/ Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	Realtek	The Chairman of the company is the beneficial party of the entity	Purchase	11,831,953	58.94 %	Monthly settlement occurs 45 days after the invoice is issued	No purchases from other vendors	No material variance	(1,606,612)	(56.64)%	-
The Company	Realtek Singapore	Subsidiary of Realtek Semiconductor Co.	Purchase	4,874,522	24.28 %	Monthly settlement occurs 45 days after the invoice is issued	No purchases from other vendors	No material variance	(553,896)	(19.53)%	-
The Company	RayMx	Subsidiary of Realtek Semiconductor Co.	Purchase	188,500	0.94 %	Monthly settlement occurs 45 days after the invoice is issued	No purchases from other vendors	No material variance	(49,291)	(1.74)%	-
The Company	Actions (HK)	The Chairman of the company is the beneficial party of the entity	Purchase	265,826	1.32 %	Monthly settlement occurs 30 days after the invoice is issued	No purchases from other vendors	No material variance	(28,887)	(1.02)%	-
The Company	G.M.I (Shanghai)	Subsidiaries	Sales	(747,684)	(3.56) %	Monthly settlement occurs 120 days after the invoice is issued	No material variance	No material variance	189,051	4.19%	Note
The Company	Vector Electronic Co. Ltd	Subsidiaries	Sales	(1,038,604)	(4.94) %	Monthly settlement occurs 120 days after the invoice is issued	No material variance	No material variance	366,972	8.13%	Note

Note : The transactions were written off in the consolidated financial statements.

(v) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts	Note
					Amount	Action taken			
The Company	G.M.I (Shanghai)	Subsidiaries	189,051	460.88 %	-		189,051	-	Note
The Company	Vector Electronic Co. Ltd	Subsidiaries	366,972	377.39 %	-		169,965	-	Note
The Company	GMI Computing	The Chairman of the company is the first-degree family of the Chairman of the Company.	161,085	74.51 %	-		10,396	-	-
The Company	GMI Cloud US		1,235,094	- %	-	-	-	-	-

Note : The transactions were written off in the consolidated financial statements.

(vi) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

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No. (Note 1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	GMI Company	Hong Da Fu Tong	1	Business consultation fees	86,396	Monthly payment	0.41%
0	GMI Company	G.M.I (Shanghai)	1	Sales revenue	747,684	Based on cost-plus approach	3.56%
0	GMI Company	G.M.I (Shanghai)	1	Accounts receivable	189,051	Monthly settlement occurs 120 days after the invoice is issued	1.69%
0	GMI Company	G.M.I (Shanghai)	1	Business consultation fees	56,139	Monthly payment	0.27%
0	GMI Company	Vector Electronic	1	Sales revenue	1,038,604	Based on cost-plus approach	4.94%
0	GMI Company	Vector Electronic	1	Accounts receivable	366,972	Monthly settlement occurs 120 days after the invoice is issued	3.28%
1	Vector Electronic	Shenzhen Hongton Electronics Co. Ltd.	1	Consulting service fees	9,600	Based on cost-plus approach	0.04%

Note 1: Numbers are filled in as follows:
1. “0” represents the Group
2. The subsidiaries start with number 1.

2: Relationship with the listed companies:
1. Transactions from parent Group to subsidiary
2. Transactions from subsidiary to parent Group
3. Transactions between subsidiaries

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(b) Information on investees:

The following is the information on investees for the years ended December 31, 2025 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount: December 31, 2025	Original investment amount: December 31, 2024	Balance as of December 31, 2025: Shares (thousands)	Balance as of December 31, 2025: Percentage of wnership	Balance as of December 31, 2025: Carrying value	Highest Percentage of wnership	Net income (losses) of investee	Share of profits/losses of investee	Note
GMI Technology Inc.	G.M.I. Technology (BVI) Ltd.	British Virgin Island	Investment holding	556,991	556,991	18,277	100.00 %	(88,954)	100.00 %	(17,408)	(17,408)	Note 1
GMI Technology Inc.	GLOBAL MOBILE INTERNET CO., LTD	Taiwan	Sale of electronic products	15,484	15,484	1,548	34.21 %	15,993	34.21 %	1,913	654	
GMI Technology Inc.	Unitech Electronics Co., Ltd.	Taiwan	Sale of electronic products	200,739	200,739	9,559	12.73 %	238,634	12.73 %	100,614	12,807	
G.M.I. Technology (BVI) Ltd.	Vector Electronic Co. Ltd	Hong Kong	Trading of electronic components and investment holding	151,141	151,141	34,149	100.00 %	(89,034)	100.00 %	(17,408)	(17,408)	Note 1
G.M.I. Technology (BVI) Ltd.	HARKEN INVESTMENTS LIMTED	British Virgin Islands	Investment holding	393,484	393,484	13,169	100.00 %	77	100.00 %	-	-	Note 1
HARKEN INVESTMENTS LIMTED	GW Electronics Company Limited	Hong Kong	Trading of electronic components	393,236	393,236	102,000	51.00 %	-	51.00 %	-	-	
GMI Technology Inc.	Rehear Audiology Company LTD.	Taiwan	Research, development and sales of medical equipments	29,000	27,050	5,800	23.65 %	76,458	27.62 %	(65,851)	(16,426)	Note 1
GMI Technology Inc.	GMI USA Corporation	USA	Service Leasing	14,700	-	500	100.00 %	17,034	- %	(449)	(449)	Note 1 , Note 2
GMI Technology Inc.	GMI Technology(Hong Kong) Inc.	Hong Kong	Trading of electroniccomponents and investment holding			-	- %	-	- %	-	-	Note 3

Note1: The transactions were written off in the consolidated financial statements.
Note2: The subsidiary has completed its establishment and registration procedures on February 12, 2025, and its share capital is invested in July 2025.
Note3: The Company only completed its registration on October 30, 2025, and the capital has not yet been contributed.

(c) Information on investment in mainland China:

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

(In Thousands of New Taiwan Dollars)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows: Outflow	Investment flows: Inflow	Accumulated outflow of investment from Taiwan as of December 31, 2025	Net income (losses) of the investee	Percentage of ownership	Highest percentage of ownership	Investment income (losses)	Book value	Highest Percentage of ownership	Accumu-lated remittance of earnings in current period	Note
G.M.I (Shanghai) Trading Company Limited.	Trading of electronic components and business marketing consulting	68,382	(2)	48,708	-	-	48,708 (Note 2)	(23,901)	100.00%	100.00%	(23,901)	(97,851)	-	-	
Hong Da Fu Tong Electronics Company Limited	Trading of electronic components	65,445	(2)	44,660	-	-	44,660 (Note 2)	4,155	100.00%	100.00%	4,155	(6,163)	-	-	

Note 1: Three types of investment method are as follows:
(a) Direct investment in Mainland China.
(b) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
(c) Others
Note 2: The difference between the amount of paid-in capital and the accumulated investment amount remitted from Taiwan at the end of the period is the direct investment by Vector Electronic Co. Ltd with its own capital.

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of December 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
93,368	629,123	2,344,968

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in “Information on significant transactions”.

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(14) Segment information:

(a) General information

The reportable segments are the Group' s strategic divisions. They offer different products and services, and are managed separately because they require different technology and marketing strategies. Most of the strategic divisions were acquired separately. The management of the acquired divisions remains employed by the Group.

(b) Information about reportable segments and their measurement and reconciliations

The Group uses the segment profit before tax from internal management reports reviewed by the chief operating decision maker as the basis for resource allocation and performance evaluation by management.

	2025			
	Business department	**Leasing business department**	**Reconciliation and eliminations**	**Total**
Revenue：				
Revenue from external customers	$ 20,767,446	248,152	-	21,015,598
Intersegment revenues	-	-	-	-
Total revenue	**$ 20,767,446**	**248,152**	**-**	**21,015,598**
Reportable segment profit and loss	**$ 315,421**	**186,202**	**-**	**501,623**

	2024			
	Business department	**Leasing business department**	**Reconciliation and eliminations**	**Total**
Revenue：				
Revenue from external customers	$ 17,671,322	38,117	-	17,709,439
Intersegment revenues	-	-	-	-
Total revenue	**$ 17,671,322**	**38,117**	**-**	**17,709,439**
Reportable segment profit and loss	**$ 313,782**	**35,531**	**-**	**349,313**

(c) Products and services information: Please refer to note 6(r).

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(d) Geographic information

In presenting information on the basis of geography, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

Geographical information	**2025**	**2024**
Non-current assets:		
Taiwan	$ 333,501	329,654
United States	-	1,467,917
China	16,047	10,600
Hong Kong	4,848	5,233
Total	**$ 354,396**	**1,813,404**

(e) Major customers:

There were no individual customers representing greater than 10% of sales revenues in the consolidated statements of comprehensive income for the years ended December 31, 2025 and 2024.

	2025	**2024**
Customer A	**$ 3,484,704**	**3,886,587**