Stock Code:8114

Posiflex Technology, Inc. and Subsidiaries

Consolidated Financial Statements

With Independent Auditors' Review Report
For the Three Months Ended March 31, 2026 and 2025

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The independent auditors' review 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' review report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors
Posiflex Technology, Inc.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Posiflex Technology, Inc. (the "Company") and its subsidiaries (together referred as the "Group") as of March 31, 2026, and 2025, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2026 and 2025, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards ("IASs") 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4(2), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to $3,099,355 thousand and $1,451,530 thousand, constituting 14.10% and 7.26% of the consolidated total assets as of March 31, 2026 and 2025, respectively, the total liabilities amounting to $552,361 thousand and $361,067 thousand, constituting 8.49% and 3.35% of the consolidated total liabilities as of March 31, 2026 and 2025, respectively, and the total comprehensive income (loss) amounting to $(79,437) thousand and $(12,671) thousand, constituting (12.66)% and (0.93)% of the total consolidated comprehensive income (loss) for the three months ended March 31, 2026 and 2025, respectively.

Furthermore, as stated in Note 6(4), the other equity accounted investments of the Group in its investee companies of $815,201 thousand and $232,331 thousand as of March 31, 2026 and 2025, respectively, and its equity in net earnings on these investee companies of $7,145 thousand and $(3,684) thousand for the three months ended March 31, 2026 and 2025, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IASs 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Yu, Chi-Lung and Chen, Pei-Chi.

KPMG

Taipei, Taiwan (Republic of China)
April 30, 2026

Notes to Readers

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

The independent auditors' review 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' review report and consolidated financial statements, the Chinese version shall prevail.

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

Posiflex Technology, Inc. and Subsidiaries

Consolidated Balance Sheets

March 31, 2026, and December 31 and March 31, 2025

(Expressed in Thousands of New Taiwan Dollar)

		March 31, 2026		December 31, 2025		March 31, 2025	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (note 6(1))	$ 5,218,965	24	5,752,224	29	5,074,684	25
1110	Financial assets at fair value through profit or loss－current (note 6(2))	155,482	1	193	-	-	-
1136	Financial assets at amortized cost－current (notes 6(2) and 8)	3,133	-	601,831	3	93,556	1
1150	Notes receivable (note 6(2))	505	-	2,590	-	2,697	-
1170	Accounts receivable, net (note 6(2))	2,596,095	12	1,878,051	9	3,615,475	18
1180	Accounts receivable－related parties (notes 6(2) and 7)	13,438	-	11,838	-	8,427	-
1210	Other receivables－related parties (note 7)	1,872	-	3,363	-	3,355	-
1310	Inventories (note 6(3))	4,170,793	19	2,673,613	14	2,877,041	15
1476	Other financial assets－current (notes 6(6) and 8)	44,440	-	35,191	-	35,994	-
1479	Other current assets (note 6(8))	250,774	1	164,181	1	198,977	1
	Total current assets	12,455,497	57	11,123,075	56	11,910,206	60
	Non-current assets:						
1510	Financial assets at fair value through profit or loss－non-current (note 6(2))	144,313	1	137,789	1	31,829	-
1517	Financial assets at fair value through other comprehensive income－non-current (note 6(2))	67,054	1	70,443	-	115,424	1
1535	Financial assets at amortized cost－non-current (notes 6(2) and 8)	482,621	2	473,060	2	499,998	2
1550	Investments accounted for using equity method (note 6(4))	815,252	4	214,490	1	232,904	1
1600	Property, plant and equipment (notes 6(9) and 8)	3,948,703	18	3,875,069	20	3,290,302	17
1755	Right-of-use assets (note 6(10))	281,774	1	245,066	1	285,200	2
1760	Investment property (note 6(11))	47,484	-	47,529	-	47,666	-
1805	Goodwill (note 6(13))	2,020,839	9	1,985,991	10	1,972,978	10
1821	Intangible assets (note 6(14))	890,414	4	870,478	5	822,234	4
1840	Deferred tax assets	718,523	3	692,057	4	653,908	3
1975	Net defined benefit asset－non-current (note 6(21))	56,589	-	56,196	-	49,699	-
1980	Other financial assets－non-current (notes 6(6) and 8)	27,987	-	29,004	-	29,663	-
1990	Other non-current assets (notes 6(8) and 8)	23,079	-	53,917	-	59,540	-
	Total non-current assets	9,524,632	43	8,751,089	44	8,091,345	40
	Total assets	**$ 21,980,129**	**100**	**19,874,164**	**100**	**20,001,551**	**100**

		March 31, 2026		December 31, 2025		March 31, 2025	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (notes 6(15) and 8)	$ 1,013,946	5	371,660	2	628,991	4
2120	Financial liabilities at fair value through profit or loss－current (note 6(2))	1,258	-	1,620	-	652	-
2130	Contract liabilities－current (note 6(26))	452,857	2	373,529	2	503,948	3
2150	Notes payable	12,087	-	12,332	-	16,884	-
2170	Accounts payable	1,606,748	7	881,607	4	1,481,975	7
2180	Payables to related parties (note 7)	61,583	-	21,979	-	53,764	-
2200	Other payables (note 6(16))	1,319,998	6	1,577,280	8	1,497,532	7
2230	Current tax liabilities	795,612	4	614,106	3	841,546	4
2250	Provisions－current (note 6(17))	399,898	2	366,722	2	196,695	1
2280	Lease liabilities－current (note 6(18))	65,782	-	75,205	-	80,875	1
2320	Current portion of long-term liabilities (notes 6(19) and 8)	7,855	-	7,729	-	7,391	-
2399	Other current liabilities	34,179	-	34,341	-	42,761	-
	Total current liabilities	5,771,803	26	4,338,110	21	5,353,014	27
	Non-current liabilities:						
2527	Contract liabilities－non-current (note 6(26))	44,813	-	62,029	-	73,620	-
2540	Long-term borrowings (notes 6(19) and 8)	40,862	-	58,642	-	70,970	-
2570	Deferred tax liabilities	130,097	1	106,863	1	131,821	1
2580	Lease liabilities－non-current (note 6(18))	385,184	2	340,423	2	380,302	2
2635	Preference share liabilities－non-current (note 6(20))	-	-	-	-	4,595,089	23
2640	Net defined benefit liability－non-current (note 6(21))	26,929	-	27,109	-	25,065	-
2645	Guarantee deposits received (notes 7 and 9)	106,733	1	105,830	1	144,098	1
2650	Credit balance of investments accounted for using equity method (note 6(4))	51	-	27	-	573	-
	Total non-current liabilities	734,669	4	700,923	4	5,421,538	27
	Total liabilities	6,506,472	30	5,039,033	25	10,774,552	54
	Equity (notes 6(23) and (24)):						
	Equity attributable to parent company shareholders:						
3110	Ordinary share	764,188	3	764,188	4	762,948	4
3120	Preference share	311,531	1	311,531	2	-	-
3140	Advance receipts for share capital	690	-	-	-	500	-
3200	Capital surplus	5,163,034	23	5,152,787	26	847,525	4
3300	Retained earnings	4,509,664	21	4,214,219	21	3,574,983	18
3400	Other equity	(46,596)	-	(123,213)	(1)	69,413	-
	Total equity attributable to parent company shareholders	10,702,511	48	10,319,512	52	5,255,369	26
36XX	Non-controlling interests	4,771,146	22	4,515,619	23	3,971,630	20
	Total equity	15,473,657	70	14,835,131	75	9,226,999	46
	Total liabilities and equity	**$ 21,980,129**	**100**	**19,874,164**	**100**	**20,001,551**	**100**

See accompanying notes to consolidated financial statements.

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

Posiflex Technology, Inc. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the Three Months Ended March 31, 2026 and 2025

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

		For the three months ended March 31			
		2026		2025	
		Amount	%	Amount	%
4000	**Operating revenue** (notes 6(26) and 7)	$ 3,538,762	100	5,918,832	100
5000	**Operating costs** (notes 6(3), (21), (24), (27), 7 and 12)	1,875,616	53	2,976,087	50
5900	**Gross profit**	1,663,146	47	2,942,745	50
5910	Unrealized gain from sales	(1)	-	(12)	-
5900	**Realized gross profit**	1,663,145	47	2,942,733	50
6000	**Operating expenses** (notes 6(2), (21), (24), (27), 7 and 12)**:**				
6100	Selling expenses	386,633	11	557,954	9
6200	Administrative expenses	367,534	10	400,140	7
6300	Research and development expenses	285,095	8	323,344	6
6450	Expected credit (gain) loss	(5,564)	-	3,034	-
	Total operating expenses	1,033,698	29	1,284,472	22
6900	**Net operating income**	629,447	18	1,658,261	28
7000	**Non-operating income and expenses** (notes 6(28) and 7)**:**				
7100	Interest income	26,571	1	15,012	-
7010	Other income	2,306	-	5,893	-
7020	Other gains and losses	25,124	1	48,807	1
7050	Finance costs	(11,255)	-	(49,289)	(1)
7060	Share of profit (loss) of associates accounted for using equity method (note 6(4))	7,145	-	(3,684)	-
	Total non-operating income and expenses	49,891	2	16,739	-
7900	**Income before income tax**	679,338	20	1,675,000	28
7950	**Income tax expenses** (note 6(22))	161,223	5	385,531	6
8200	**Net income**	518,115	15	1,289,469	22
8300	**Other comprehensive income (loss):**				
8310	**Items that will not be reclassified subsequently to profit or loss**				
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	(3,389)	-	(2,773)	-
8320	Shares of other comprehensive loss of associates accounted for using equity method	-	-	(951)	-
8349	Less: Income tax related to items that will not be reclassified subsequently	-	-	-	-
	Total items that will not be reclassified subsequently to profit or loss	(3,389)	-	(3,724)	-
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	140,190	4	95,902	1
8370	Shares of other comprehensive income of associates accounted for using equity method	1,093	-	761	-
8399	Less: Income tax related to items that may be reclassified subsequently (note 6(22))	28,437	1	19,178	-
	Total items that may be reclassified subsequently to profit or loss	112,846	3	77,485	1
8300	**Other comprehensive income, net**	109,457	3	73,761	1
8500	**Total comprehensive income**	**$ 627,572**	**18**	**1,363,230**	**23**
	Profit attributable to:				
	Owners of parent	$ 295,445	9	670,796	12
	Non-controlling interests	222,670	6	618,673	10
		$ 518,115	**15**	**1,289,469**	**22**
	Comprehensive income attributable to:				
	Owners of parent	$ 372,062	11	719,652	12
	Non-controlling interests	255,510	7	643,578	11
		$ 627,572	**18**	**1,363,230**	**23**
	Earnings per share (New Taiwan Dollars) (note 6(25))				
9750	Basic earnings per share	**$ 2.75**		**6.60**	
9850	Diluted earnings per share	**$ 2.72**		**6.49**	

See accompanying notes to consolidated financial statements.

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

Posiflex Technology, Inc. and Subsidiaries

Consolidated Statements of Changes in Equity

For the Three Months Ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollar)

	Attributable to owner of parent													
					Retained earnings				Other equity					
	Ordinary share capital	Preference share capital	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains or losses from investments in equity instruments measured at fair value through other comprehensive income	Total	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of January 1, 2025	$ 762,378	-	570	837,467	927,155	174,861	1,802,171	2,904,187	89,512	(68,955)	20,557	4,525,159	3,327,179	7,852,338
Net income for the period	-	-	-	-	-	-	670,796	670,796	-	-	-	670,796	618,673	1,289,469
Other comprehensive income for the period	-	-	-	-	-	-	-	-	52,580	(3,724)	48,856	48,856	24,905	73,761
Total comprehensive income for the period	-	-	-	-	-	-	670,796	670,796	52,580	(3,724)	48,856	719,652	643,578	1,363,230
Share-based payment transactions	-	-	-	5,431	-	-	-	-	-	-	-	5,431	54	5,485
Exercise of employee stock options	570	-	(70)	3,627	-	-	-	-	-	-	-	4,127	-	4,127
Other changes in capital surplus	-	-	-	1,000	-	-	-	-	-	-	-	1,000	819	1,819
Balance as of March 31, 2025	**$ 762,948**	**-**	**500**	**847,525**	**927,155**	**174,861**	**2,472,967**	**3,574,983**	**142,092**	**(72,679)**	**69,413**	**5,255,369**	**3,971,630**	**9,226,999**
Balance as of January 1, 2026	$ 764,188	311,531	-	5,152,787	1,027,279	-	3,186,940	4,214,219	(23,155)	(100,058)	(123,213)	10,319,512	4,515,619	14,835,131
Net income for the period	-	-	-	-	-	-	295,445	295,445	-	-	-	295,445	222,670	518,115
Other comprehensive income for the period	-	-	-	-	-	-	-	-	80,371	(3,754)	76,617	76,617	32,840	109,457
Total comprehensive income for the period	-	-	-	-	-	-	295,445	295,445	80,371	(3,754)	76,617	372,062	255,510	627,572
Share-based payment transactions	-	-	-	5,257	-	-	-	-	-	-	-	5,257	17	5,274
Exercise of employee stock options	-	-	690	4,990	-	-	-	-	-	-	-	5,680	-	5,680
Balance as of March 31, 2026	**$ 764,188**	**311,531**	**690**	**5,163,034**	**1,027,279**	**-**	**3,482,385**	**4,509,664**	**57,216**	**(103,812)**	**(46,596)**	**10,702,511**	**4,771,146**	**15,473,657**

See accompanying notes to consolidated financial statements.

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

Posiflex Technology, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

For the Three Months Ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollar)

	For the three months ended March 31	
	2026	**2025**
Cash flows from operating activities:		
Income before income tax	$ 679,338	1,675,000
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expenses	72,774	66,541
Amortization expenses	8,401	5,057
Expected credit (gain) loss	(5,564)	3,034
Net loss on financial assets and liabilities at fair value through profit or loss	2,659	1,364
Interest expense	11,255	49,289
Interest income	(26,571)	(15,012)
Dividend income	-	(6)
Compensation cost arising from share-based payment transactions	5,274	5,485
Shares of (gain) loss of associates accounted for using equity method	(7,145)	3,684
Gains on disposal of property, plant and equipment	-	(524)
Provisions for inventory devaluation and obsolescence loss and inventory scrap loss	17,111	180,226
Adjustment for other non-cash-related profit, net	(6,522)	(3,012)
Total adjustments to reconcile profit (loss)	71,672	296,126
Changes in operating assets and liabilities:		
Notes receivable	2,085	(1,949)
Accounts receivable (including related parties)	(714,291)	(1,003,127)
Inventories	(1,514,291)	(138,265)
Other operating assets	(84,003)	(37,374)
Contract liabilities	62,112	183,271
Notes payable	(245)	4,443
Accounts payable (including related parties)	764,744	267,492
Other payables	(257,718)	212,896
Net defined benefit assets/liabilities	(574)	(617)
Other operating liabilities	33,014	23,541
Total changes in operating assets and liabilities	(1,709,167)	(489,689)
Total adjustments	(1,637,495)	(193,563)
Cash (outflows) inflows generated from operations	(958,157)	1,481,437
Interest received	30,206	10,036
Interest paid	(7,647)	(10,011)
Income taxes (paid) refund	(1,350)	1,282
Net cash flows (used in) from operating activities	(936,948)	1,482,744

(Continued)

See accompanying notes to consolidated financial statements.

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

Posiflex Technology, Inc. and Subsidiaries
Consolidated Statements of Cash Flows (Continued)
For the Three Months Ended March 31, 2026 and 2025
(Expressed in Thousands of New Taiwan Dollar)

	For the three months ended March 31	
	2026	**2025**
Cash flows from investing activities:		
Decrease in financial assets at amortized cost	598,698	-
Acquisition of financial assets at fair value through profit or loss	(155,000)	-
Acquisition of investments accounted for using equity method	(592,500)	-
Acquisition of property, plant and equipment	(83,264)	(31,324)
Proceeds from disposal of property, plant and equipment	-	524
Acquisition of intangible assets	(11,989)	(3,513)
Increase in other financial assets	(8,231)	(6,189)
Decrease (increase) in other non-current assets	13,254	(2,491)
Dividends received	-	8
Net cash flows used in investing activities	(239,032)	(42,985)
Cash flows from financing activities:		
Increase in short-term borrowings	1,457,288	23,849
Decrease in short-term borrowings	(820,129)	(249,255)
Proceeds from long-term borrowings	-	3,742
Repayments of long-term borrowings	(18,270)	(1,455)
(Decrease) increase in guarantee deposits received	(1,174)	1,821
Repayment of the principal portion of lease liabilities	(24,824)	(20,722)
Exercise of employee share options	5,680	4,127
Expired and uncollected dividends turn into capital surplus	-	1,819
Net cash flows from (used in) financing activities	598,571	(236,074)
Effect of exchange rate changes on cash and cash equivalents	44,150	57,673
Net (decrease) increase in cash and cash equivalents	(533,259)	1,261,358
Cash and cash equivalents at beginning of period	5,752,224	3,813,326
Cash and cash equivalents at end of period	**$ 5,218,965**	**5,074,684**

See accompanying notes to consolidated financial statements.

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

Posiflex Technology, Inc. and Subsidiaries

Notes to the Consolidated Financial Statements

For the Three Months Ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollar, except for Earnings per Share Information and Unless Otherwise Specified)

1. Company History

Posiflex Technology, Inc. (the "Company") was founded in New Taipei City, Republic of China (R.O.C.), on August 11, 1984. The registered address of the Company's office is 4-8F., No. 23, Datong St., Tucheng Dist., New Taipei City 236, Taiwan, R.O.C. The Company's ordinary shares were publicly listed on Taipei Exchange and Taiwan Stock Exchange Corporation on July 20, 2005 and November 26, 2012, respectively.

The Company and its subsidiaries (together referred to as the "Group") are engaged mainly in the manufacture and sale of industrial computers and peripheral equipment.

2. Approval date and procedures of the Consolidated Financial Statements

The consolidated financial statements were authorized for issue by the Board of Directors on April 30, 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, 2026:

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

(Continued)

Posiflex Technology, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

(b) 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.

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The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the above-mentioned 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

(1) 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 IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as FSC). The consolidated financial statements do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (altogether referred to “IFRS Accounting Standards” endorsed by the FSC) for a complete set of the annual consolidated financial statements.

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

(2) Basis of consolidation

Principles of preparation of the consolidated financial statements are the same as those of the consolidated financial statements for the year ended December 31, 2025. For the related information, please refer to note 4(3) of the consolidated financial statements for the year ended December 31, 2025.

A. List of subsidiaries in the consolidated financial statements

The list of subsidiaries is included in the consolidated financial statements:

			Percentage of Ownership			
Name of Investor	**Name of Subsidiary**	**Business**	**March 31, 2026**	**December 31, 2025**	**March 31, 2025**	**Note**
The Company	Portwell Inc. (PORTWELL)	Research and development, manufacture, and sale of industrial computers and peripheral equipment, and related software services	55 %	55 %	55 %	

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Name of Investor	Name of Subsidiary	Business	Percentage of Ownership March 31, 2026	Percentage of Ownership December 31, 2025	Percentage of Ownership March 31, 2025	Note
The Company	Posiflex Business Machines, Inc. (PBM)	Import and export of Posiflex brand-name products	100 %	100 %	100 %	Note 2
The Company	Posiflex GmbH (PG)	Import and export of Posiflex brand-name products	100 %	100 %	100 %	Note 1
The Company	Posiflex International Co., Ltd. (PIC)	Import and export of Posiflex brand-name products	100 %	100 %	100 %	〃
The Company	Posiflex Business Machines Sdn. Bhd. (PBMM)	Import and export of Posiflex brand-name products	83.46 %	83.46 %	83.46 %	〃
The Company	Posiflex Technologies South Cone (PTSC)	Import and export of Posiflex brand-name products	100 %	100 %	100 %	〃
The Company	Posiflex Technology (India) Pvt Ltd. (PTIL)	Import and export of Posiflex brand-name products	51 %	51 %	51 %	〃
The Company	Posiflex Technology Pte. Ltd. (PTPL)	Import and export of Posiflex brand-name products	100 %	100 %	100 %	〃
The Company	Posiflex Technology Japan (PJ)	Import and export of Posiflex brand-name products	100 %	100 %	100 %	〃
The Company	KOMING Technology Inc. (KOMING)	Import and export and software services	100 %	100 %	100 %	〃
The Company	ONK Cloud Computing Technology Inc. (ONK Cloud)	Software services	99.90 %	99.90 %	99.90 %	〃
The Company	Penetek Technology Inc. (PENETEK)	Manufacture and sale of computers and peripheral equipment	61.52 %	61.52 %	61.52 %	〃
The Company	KIOSK Integrated Solutions, Inc. (KIOSKTW)	Software services	100 %	100 %	100 %	Notes 1,3
PIC	Posiflex Business Machines (Beijing) Co., Ltd. (PBMB)	Import and export of Posiflex brand-name products	100 %	100 %	100 %	Note 1
PTIL	Mustek Technologies Pvt Ltd. (Mustek)	Import and export of Posiflex brand-name products	82 %	82 %	82 %	〃
PTIL	Quinta Systems Pvt Ltd. (QUINTA)	Import and export of Posiflex brand-name products	70 %	70 %	70 %	〃
ONK Cloud	ONK Clouding International Ltd. (ONK International)	Investment and holding activity	100 %	100 %	100 %	〃

(Continued)

Posiflex Technology, Inc. and Subsidiaries
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Name of Investor	Name of Subsidiary	Business	Percentage of Ownership March 31, 2026	Percentage of Ownership December 31, 2025	Percentage of Ownership March 31, 2025	Note
ONK International	ONK Clouding Shanghai (ONK Shanghai)	Software services	100 %	100 %	100 %	Note 1
PBM	KIS Acquisition Corp. (KIA)	Investment and holding activity	82 %	82 %	82 %	
PBM	Posiflex Business Machines, LLC (PBMLC)	Investment and holding activity	100 %	100 %	- %	Notes 1,4
KIA	KIOSK Information Systems, Inc. (KIOSK)	Development, manufacture and sale of self-service equipment and software (kiosk)	100 %	100 %	100 %	
PORTWELL	American Portwell Technology, Inc. (APT)	Research and development, manufacture and sale of industrial computers and peripheral equipment and related software services	100 %	100 %	100 %	
PORTWELL	Portwell Japan, Inc. (PJI)	Manufacture and sale of industrial computers and peripheral equipment, and related software services	99 %	99 %	99 %	Note 1
PORTWELL	Portwell Development Co., Ltd. (DEVELOPMENT)	Investment and holding activity	100 %	100 %	100 %	〃
PORTWELL	European Portwell Technology B.V. (EPT)	Sale of industrial computers and peripheral equipment, and related software services	100 %	100 %	100 %	〃
PORTWELL	Portwell India Technology Private Limited (PIT)	Manufacture and sale of industrial computers and peripheral equipment	51 %	51 %	51 %	〃
PORTWELL	Portwell Korea, Inc. (PKI)	Sale of industrial computers and peripheral equipment, and related software services	100 %	100 %	100 %	〃
PORTWELL	GANLOT, Inc. (GANLOT)	Sale of industrial computers and peripheral equipment, and related software services	100 %	100 %	100 %	〃
PORTWELL	Holdwel Co., Ltd. (HOLDWEL)	Investment and holding activity	100 %	100 %	100 %	〃
PORTWELL	WINCOMM CORPORATION (WCC)	Manufacture and sale of computers and peripheral equipment	41 %	41 %	- %	Notes 1,5
APT	KIS Acquisition Corp. (KIA)	Investment and holding activity	18 %	18 %	18 %	
HOLDWEL	MEDWEL, Inc. (MEDWEL)	Sale of computers and peripheral equipment	100 %	100 %	100 %	Note 1

(Continued)

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Name of Investor	Name of Subsidiary	Business	Percentage of Ownership March 31, 2026	December 31, 2025	March 31, 2025	Note
DEVELOPMENT	Portwell Holding Ltd. (HOLDING)	Investment and holding activity	100 %	100 %	100 %	Note 1
EPT	Portwell (UK) Ltd. (PUK)	Sale of industrial computers and peripheral equipment	100 %	100 %	100 %	〃
EPT	KIOSK Embedded Systems GmbH (KES)	Manufacture and sale of self-service equipment and software	100 %	100 %	100 %	〃
EPT	Kiosk Embedded Systems Srl (KESI)	Sale of industrial computers and peripheral equipment	100 %	100 %	100 %	〃
HOLDING	Welink Technology Co., Ltd. (WELINK)	Sale of industrial computers and peripheral equipment, and related software services	100 %	100 %	100 %	〃
WCC	Wincomm Corporation (USA)(WCUS)	Sale of computers and peripheral equipment	100 %	100 %	- %	Notes 1,5
WCC	Wincomm Japan Corporation(WCJP)	Sale of computers and peripheral equipment	100 %	100 %	- %	〃

Note 1: The financial statements of non-significant subsidiary have not been reviewed.

Note 2: On May 8, 2025, PBM resolved at the board meeting to conduct a cash capital increase in the amount of USD $25,000 thousand, which had been fully subscribed by the Group; of which USD $22,400 thousand (NTD $676,168 thousand) had been paid as of March 31, 2026.

Note 3: In March 2025, KIOSKTW increase its capital by cash, which were fully subscribed by the Group.

Note 4: In April 2025, the Group established a new subsidiary, PBMLC, for the purpose of purchasing a real estate. As of March 31, 2026, the capital amounted to USD $22,400 thousand (NTD $699,784 thousand).

Note 5: In addition to acquiring a 41% equity interest in WCC for NT$299,239 thousand on December 30, 2025. Moreover, the Group also entered into a written agreement, which became effective upon the closing date, with the shareholders of WCC on October 1, 2025, resulting in the Group obtaining a majority of the voting rights. Consequently, WCC and its subsidiaries have been included in the consolidated financial statements from that date.

B. List of subsidiaries which are not included in the consolidated financial statements: None.

(3) Employee benefits

Pension cost for an the interim period is calculated on a year to date basis by using the actuarially determined pension cost rate at the reporting date of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

(4) Income tax

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of IAS 34 “Interim Financial Reporting” .

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Posiflex Technology, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

Income tax expense for the period are measured by multiplying together the pretax income for the interim reporting period and the management's best estimate of effective annual tax rate. This is allocated to current and deferred taxes based on its proportionate size.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases are measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled and recognized directly in equity or other comprehensive income as income tax expense.

5. Significant accounting assumptions and judgments, and major sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 "Interim Financial Reporting" endorsed by the FSC requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Except for the following, the preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with note 5 to the consolidated financial statements for the year ended December 31, 2025.

Judgment of whether the Group has substantive control over its investees

The Group holds 18.86%、25%、35% and 49.375% of the outstanding voting shares of its associates. Although the remaining shares of associates are not concentrated within specific shareholders, the Group still cannot obtain more than half of the total number of associates' directors, and it also cannot obtain more than half of the voting rights at a shareholders' meeting. Therefore, it is determined that the Group does not have substantive control over its associates.

6. Description of Significant Accounts

Except for the following disclosures, there were no material differences in the disclosures of significant accounts from the disclosed in the consolidated financial statements for the year ended December 31, 2025. For further information, please refer to note 6 to the consolidated financial statements for the year ended December 31, 2025.

(1) Cash and cash equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand	$ 1,247	1,308	1,888
Cash in bank and checking deposits	2,334,275	5,675,962	4,172,311
Time deposits	2,883,443	74,954	900,485
	$ 5,218,965	**5,752,224**	**5,074,684**

Please refer to note 6(29) for the disclosure of currency risk of the financial assets and liabilities.

Posiflex Technology, Inc. and Subsidiaries
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(2) Financial assets and liabilities

A. Financial assets at fair value through other comprehensive income－non-current

	March 31, 2026	December 31, 2025	March 31, 2025
Equity instruments measured at fair value through other comprehensive income:			
Domestic listed stocks	$ 391	487	475
Unlisted stocks	66,663	69,956	114,949
	$ 67,054	70,443	115,424

The Group designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term strategic purposes.

B. Financial assets measured at amortized cost

	March 31, 2026	December 31, 2025	March 31, 2025
Current:			
Cash in bank (restricted)	$ -	-	15,000
Time deposits (restricted)	3,133	1,831	76,556
Time deposits (more than three months)	-	600,000	2,000
	$ 3,133	601,831	93,556
Non-current:			
Time deposits (restricted)	$ 482,621	473,060	499,998

The Group has assessed that these financial assets are held to maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

For credit risk, please refer to note 6(29).

The financial assets above had been pledged as collateral for bank borrowings; please refer to note 8.

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Posiflex Technology, Inc. and Subsidiaries
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C. Notes receivable and accounts receivable (including related parties):

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable	$ 505	2,590	2,697
Accounts receivable	2,652,240	1,943,596	3,682,135
Accounts receivable－related parties	13,438	11,838	8,427
	2,666,183	1,958,024	3,693,259
Less: loss allowance	(56,145)	(65,545)	(66,660)
	$ 2,610,038	**1,892,479**	**3,626,599**

Please refer to notes 6(6) and 7 for more details on other receivable excluding from the receivables above.

The Group applies the simplified approach to provide for its loss allowance used for expected credit loss (ECL), which permits the use of lifetime expected loss provision for its receivables. To measure the ECL, receivables (including related parties) have been grouped based on the 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:

	March 31, 2026		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 2,183,190	0.21%	4,693
1 to 60 days past due	404,228	0.82%	3,316
61 to 180 days past due	26,761	15.43%	4,130
More than 181 days past due	43,293	81.53%	35,295
	$ 2,657,472		**47,434**

	December 31, 2025		
	Gross carrying amount	**Weighted-average loss rate**	**Expected loss allowance**
Current	$ 1,462,573	0.32%	4,700
1 to 60 days past due	415,319	1.33%	5,504
61 to 180 days past due	23,436	34.54%	8,095
More than 181 days past due	44,005	78.53%	34,555
	$ 1,945,333		**52,854**

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	March 31, 2025		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 2,881,409	0.37%	10,615
1 to 60 days past due	716,803	0.73%	5,202
61 to 180 days past due	47,988	11.82%	5,673
More than 181 days past due	33,881	94.42%	31,992
	$ 3,680,081		**53,482**

Note: As of March 31, 2026, December 31 and March 31, 2025, the outstanding balance of the Group's receivables amounted to $8,711 thousand, $12,691 thousand and $13,178 thousand, respectively, all of which have been recognized as credit losses.

The movement in the allowance for doubtful accounts with respect to receivables was as follows:

	For the three months ended March 31	
	2026	2025
Beginning balance	$ 65,545	62,719
Impairment (reversed) loss recognized	(5,564)	3,034
Amounts written off	(4,045)	-
Effect of exchange rate changes	209	907
Ending balance	**$ 56,145**	**66,660**

D. Financial assets and liabilities at fair value through profit or loss:

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets mandatorily measured at fair value through profit or loss－current:			
Non-hedge derivative financial instruments			
Forward exchange contracts	$ -	193	-
Fund	155,482	-	-
	$ 155,482	**193**	**-**
Financial liabilities mandatorily measured at fair value through profit or loss－current:			
Non-hedge derivative financial instruments			
Forward exchange contracts	**$ 1,258**	**1,620**	**652**

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	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets mandatorily measured at fair value through loss－non-current:			
Non-derivative financial assets			
Convertible promissory note	$ 144,313	137,789	31,829

For long-term investment strategies, the Group subscribed to the 2-year zero-coupon convertible promissory notes issued by Bluechip Infotech Pty Ltd in October 2025 for AUD $3,525 thousand (NTD $70,915 thousand), wherein the Group has the right to convert them into preferred shares before maturity.

For the net gain or loss on fair value on financial instruments at FVTPL, please refer to note 6(29).

Derivatives:

The Group holds derivative financial instruments to hedge the foreign exchange rate risk the Group is exposed to, arising from its operating activities. The following derivatives instruments, without the application of hedge accounting, were classified as financial assets and liabilities mandatorily measured at fair value through profit or loss:

	March 31, 2026			
	Amount (thousand)		Currency	Maturity Dates
Forward exchange	USD	8,150	USD to NTD	2026.4.2~2026.5.15

	December 31, 2025			
	Amount (thousand)		Currency	Maturity Dates
Forward exchange	USD	10,060	USD to NTD	2026.1.6~2026.3.27

	March 31, 2025			
	Amount (thousand)		Currency	Maturity Dates
Forward exchange	USD	2,500	USD to NTD	2025.4.11~2025.6.20

(3) Inventories

	March 31, 2026	December 31, 2025	March 31, 2025
Raw materials	$ 1,290,917	914,441	982,809
Work-in-process and semi-finished products	384,193	277,408	444,830
Finished goods	2,495,683	1,481,764	1,449,402
	$ 4,170,793	2,673,613	2,877,041

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The details of operating costs were as follows:

	For the three months ended March 31	
	2026	**2025**
Cost of goods sold	$ 1,858,505	2,795,861
Inventory devaluation and obsolescence loss and inventory scrap loss	17,111	180,226
	$ 1,875,616	2,976,087

As of March 31, 2026, December 31 and March 31, 2025, the Group did not provide any inventories as collateral for its loans.

(4) Investments accounted for using equity method

The components of investment accounted for using the equity method at the reporting date were as follows:

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Associates	$ 815,252	214,490	232,904
Credit balance of investments accounted for using equity method-associate	$ (51)	(27)	(573)

A. Associates

In January 2026, the Group acquired 49.375% shares of GDX Holdings Limited (GDX Holdings) for $592,500 thousand in order to participate public tender offer of Godex International Co., LTD., resulting in the Group to have significant influence over GDX Holdings Limited.

Aggregate information of associates accounted for using equity method that are not individually material to the Group was included in the consolidated financial statements as follows:

	For the three months ended March 31	
	2026	**2025**
Attributable to the Group:		
Net income (loss)	$ 7,145	(3,684)
Other comprehensive income	874	609
Total comprehensive income (loss)	$ 8,019	(3,075)

The investments above were accounted for using the equity method, and the shares of profit or loss, and other comprehensive income of those investments, were calculated based on the financial statements that have not been reviewed.

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B. Collateral

For information on the use of the Group's investments accounted for using equity method as collateral, please refer to note 8.

(5) Business combinations

On December 30, 2025, the Group acquired 41% equity interest in WINCOMM CORPORATION (WCC) for a consideration of $299,239 thousand, resulting in the Group obtaining control over WCC, who specializes in the research and development of medical, industrial, and touch panel computers. The company concentrates on artificial intelligence, imaging technologies, and industrial-grade rugged touch computers, dedicated to providing complete solution offerings.

The main categories of consideration transferred, identifiable assets acquired, liabilities assumed at the acquisition date, and the amounts recognized as goodwill, are as follows:

A. Identifiable assets acquired and liabilities assumed

The following table summarized the fair value of identifiable assets acquired and liabilities assumed recognized at the acquisition date:

Cash and cash equivalents	$ 277,547
Accounts receivable	53,094
Inventories	110,138
Other receivables	2,841
Other current assets	9,540
Property, plant and equipment	13,264
Right-of-use assets	6,488
Intangible assets – computer software	509
Intangible assets – acquired specific technology	21,772
Intangible assets – customer relationships	66,126
Other non-current assets	7,989
Notes and accounts payable	(60,079)
Other payables	(19,170)
Other current liabilities	(5,044)
Deferred income tax liabilities	(18,403)
Lease liabilities	(6,607)
Other non-current liabilities	(1,351)
Fair value of identifiable net assets	**$ 458,654**

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The Company will continue to review the aforesaid matters during the measurement period. However, if new information obtained within one year from the acquisition date regarding facts and circumstances that existed as of the acquisition date leads to an adjustment to the above provisional amounts, or any additional provisions as at the acquisition date, the accounting for the acquisition will be revised.

B. Goodwill

Goodwill arising from the acquisition has been recognized as follows:

Consideration transferred	$	299,239
Add: Non-controlling interests (measured at the proportionate share of the identifiable net assets)		270,606
Add: Fair value of previously held equity interest in the acquiree		(458,654)
Goodwill	$	111,191

C. Intangible assets

Intangible assets (such as acquired specific technology and customer relationships) are amortized on a straight-line basis over their estimated economic useful lives of 5 years and 8 years, respectively. The goodwill primarily arises from the profitability of WCC and its subsidiaries in the medical touch computer industry, as well as from merger synergies and the value of their employees. These benefits are expected to be realized through the integration of PORTWELL and WCC to strengthen strategic cooperation, expand market presence, and enhance competitiveness.

(6) Other financial assets

		March 31, 2026	December 31, 2025	March 31, 2025
Current:				
Lease receivables (note 6(9))	$	2	5	1,093
Other receivables		44,438	35,186	33,735
Other		-	-	1,166
	$	44,440	35,191	35,994
Non-current:				
Lease receivables (note 6(9))	$	-	-	2
Guarantee deposits paid		27,987	29,004	29,661
	$	27,987	29,004	29,663

The guarantee deposits served as the lease guarantee, please refer to note 8.

(7) Material non-controlling interests of subsidiaries

As of March 31, 2026, December 31 and March 31, 2025, the Group hold a 55% ownership interest in PORTWELL. For further information, please refer to note 6(8) to the consolidated financial statements for the year ended December 31, 2025.

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(8) Other current assets and other non-current assets

	March 31, 2026	December 31, 2025	March 31, 2025
Current:			
Current tax assets	$ 5,256	4,781	2,578
Prepayments	63,307	85,743	83,725
Other prepayments	86,655	29,510	69,179
Overpaid business tax and refunds receivable	94,700	40,953	38,822
Other	856	3,194	4,673
	$ 250,774	**164,181**	**198,977**
Non-current:			
Prepayments for deposits of equipment	$ 22,264	48,892	58,725
Other	815	5,025	815
	$ 23,079	**53,917**	**59,540**

(9) Property, plant and equipment

A. The cost and accumulated depreciation of the property, plant and equipment of the Group were as follows:

	Land	Land improvements	Buildings and structures	Machinery equipment	Other equipment	Construction in progress and equipment pending inspection	Total
Cost:							
Balance as of January 1, 2026	$ 738,773	12,245	4,069,769	629,112	857,804	-	6,307,703
Additions	-	-	-	2,220	12,726	81,692	96,638
Disposals and obsolescence	-	-	-	-	(12,207)	-	(12,207)
Reclassification	-	-	-	(27,366)	36,311	-	8,945
Effect of changes in exchange rate	5,626	248	16,255	2,533	3,341	456	28,459
Balance as of March 31, 2026	**$ 744,399**	**12,493**	**4,086,024**	**606,499**	**897,975**	**82,148**	**6,429,538**
Balance as of January 1, 2025	$ 622,017	-	3,588,286	608,044	775,818	-	5,594,165
Additions	-	-	570	20,318	14,356	-	35,244
Disposals and obsolescence	-	-	(328)	(47,466)	(7,620)	-	(55,414)
Reclassification	-	-	-	-	4,064	-	4,064
Effect of changes in exchange rate	9,134	-	7,176	1,674	4,548	-	22,532
Balance as of March 31, 2025	**$ 631,151**	**-**	**3,595,704**	**582,570**	**791,166**	**-**	**5,600,591**
Accumulated depreciation:							
Balance as of January 1, 2026	$ -	203	1,412,919	414,349	605,163	-	2,432,634
Depreciation for the period	-	205	24,042	9,389	19,034	-	52,670
Disposals and obsolescence	-	-	-	-	(12,207)	-	(12,207)
Reclassification	-	-	-	(20,226)	19,373	-	(853)
Effect of changes in exchange rate	-	8	3,505	2,047	3,031	-	8,591
Balance as of March 31, 2026	**$ -**	**416**	**1,440,466**	**405,559**	**634,394**	**-**	**2,480,835**

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	Land	Land improvements	Buildings and structures	Machinery equipment	Other equipment	Construction in progress and equipment pending inspection	Total
Balance as of January 1, 2025	$ -	-	1,322,143	439,295	549,375	-	2,310,813
Depreciation for the period	-	-	23,816	7,805	15,063	-	46,684
Disposals and obsolescence	-	-	(328)	(47,466)	(7,620)	-	(55,414)
Effect of changes in exchange rate	-	-	3,326	1,362	3,518	-	8,206
Balance as of March 31, 2025	$ -	-	1,348,957	400,996	560,336	-	2,310,289
Carrying value:							
Balance as of January 1, 2026	$ 738,773	12,042	2,656,850	214,763	252,641	-	3,875,069
Balance as of March 31, 2026	$ 744,399	12,077	2,645,558	200,940	263,581	82,148	3,948,703
Balance as of January 1, 2025	$ 622,017	-	2,266,143	168,749	226,443	-	3,283,352
Balance as of March 31, 2025	$ 631,151	-	2,246,747	181,574	230,830	-	3,290,302

B. Lease receivables

The Group leases out its machinery and equipment with an average lease period of 5 years.

The Finance lease receivables are secured by the leased equipment.

As of March 31, 2026, December 31 and March 31, 2025, the balance of lease receivables please refer to note 6(6).

For credit risk information, please refer to note 6(29).

C. As of March 31, 2026, December 31 and March 31, 2025, the property, plant and equipment of the Group had been pledged as collateral for long-term borrowings, please refer to note 8.

(10) Right-of-use assets

The carrying amount of the Group's right-of-use assets is as follows:

	Land	Buildings	Transportation equipment	Total
Carrying value:				
Balance as of January 1, 2026	$ 140,939	90,924	13,203	245,066
Balance as of March 31, 2026	$ 191,765	77,462	12,547	281,774
Balance as of January 1, 2025	$ 147,444	142,325	4,193	293,962
Balance as of March 31, 2025	$ 145,818	125,552	13,830	285,200

The right-of-use assets recognized by the Group in relation to leased land, buildings and structures, and transportation equipment did not have any significant additions, disposals, reclassifications, or transfers during the three months ended March 31, 2026 and 2025. For futher information, please refer to note 6(11) to the consolidated financial statements for the year ended December 31, 2025.

(11) Investment property

The carrying amounts of the investment property of the Group were as follows:

		Land	Buildings	Total
Carrying value:				
Balance as of January 1, 2026	$	40,719	6,810	47,529
Balance as of March 31, 2026	$	40,719	6,765	47,484
Balance as of January 1, 2025	$	40,719	6,993	47,712
Balance as of March 31, 2025	$	40,719	6,947	47,666

There were no significant addition and disposal of investment property for the three months ended March 31, 2026 and 2025. Information on depreciation for the period was discussed in note 12. For futher information, please refer to note 6(12) of the consolidated financial statements for the year ended December 31, 2025.

The fair value of the investment property was not significantly different from the disclosed in the note 6(12) of the consolidated financial statements for the year ended December 31, 2025.

(12) Operating lease

The Group leases out its investment property. The Group has classified these leases as operating leases because it does not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

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

		March 31, 2026	December 31, 2025	March 31, 2025
Less than one year	$	406	678	1,212
Two to five years		43	78	380
Total undiscounted lease payments	$	**449**	**756**	**1,592**

For the three months ended March 31, 2026 and 2025, the rental income from investment properties both amounted to $305 thousand.

(13) Goodwill

There were no significant additions, disposal, or recognition and reversal of impairment losses of goodwill for the three months ended March 31, 2026 and 2025. For futher information, please refer to note 6(14) of the consolidated financial statements for the year ended December 31, 2025.

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(14) Intangible assets

The carrying value of the intangible assets of the Group's were as follows:

		Customer relationships	Acquired specific technology	Trademarks	Computer software	Total
Carrying value:						
Balance as of January 1, 2026	$	66,126	21,772	747,367	35,213	870,478
Balance as of March 31, 2026	$	64,059	20,683	760,131	45,541	890,414
Balance as of January 1, 2025	$	-	5	774,884	40,274	815,163
Balance as of March 31, 2025	$	-	5	783,326	38,903	822,234

There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the three months ended March 31, 2026 and 2025. Information on amortization for the period was discussed in note 12. For futher information, please refer to note 6(15) of the consolidated financial statements for the year ended December 31, 2025.

(15) Short-term borrowings

		March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank loans	$	600,000	-	50,000
Secured bank loans		413,946	371,660	578,991
	$	1,013,946	371,660	628,991
Range of interest rates		1.8%~8.5%	4.46%~8.5%	1.90%~8.5%

Please refer to note 6(29) for the disclosure of liquidity risk.

For the collateral for short-term borrowings, please refer to note 8.

(16) Other payables

The details of other payables of the Group were as follows:

		March 31, 2026	December 31, 2025	March 31, 2025
Payables for salaries and bonus	$	995,032	1,255,840	969,193
Compensation payables to directors and employees		83,665	82,524	97,089
Payables for equipment		11,515	11,843	8,052
Accrued dividends on preference shares		-	-	192,419
Others		229,786	227,073	230,779
	$	1,319,998	1,577,280	1,497,532

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(17) Provisions

	March 31, 2026	December 31, 2025	March 31, 2025
Advertising	$ 55,573	53,901	50,875
Warranties	344,325	312,821	145,820
	$ 399,898	**366,722**	**196,695**

There were no significant changes in provisions for the three months ended March 31, 2026 and 2025. For futher information, please refer to note 6(18) of the consolidated financial statements for the year ended December 31, 2025.

(18) Lease liabilities

The carrying amounts of lease liabilities were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Current	**$ 65,782**	**75,205**	**80,875**
Non-current	**$ 385,184**	**340,423**	**380,302**

The lease liabilities mentioned above contain the lease liabilities of the state-owned land leased by the subsidiary, PORTWELL, as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Current	$ 6,072	6,474	6,393
Non-current	342,053	290,086	294,952
	$ 348,125	**296,560**	**301,345**

For the maturity analysis, please refer to note 6(30).

The amounts recognized in profit or loss were as follows:

	For the three months ended March 31	
	2026	2025
Interests on lease liabilities	**$ 3,172**	**3,533**
Expenses relating to short-term leases	**$ 2,060**	**654**
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	**$ 178**	**490**

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

	For the three months ended March 31	
	2026	2025
Total cash outflow for leases	**$ 30,234**	**25,399**

(Continued)

A. Real estate leases

The Group leases land (the state-owned land) and buildings for its plants and office spaces. The leases of land typically run for a period of 20 years, and the plants and office spaces for 1 to 10 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Also, some leases of land and office spaces contain extension options exercisable. These leases are negotiated and monitored by the local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors, in which the lessee is not reasonably certain to use an optional extended lease term. Payments associated with the optional period are not included within lease liabilities.

B. Other leases

The Group leases transportation equipment, with lease terms of 2 to 7 years. The Group does not have the options to purchase the assets at the end of the contract term. In addition, the Group is prohibited from sub-leasing or transferring the entire or portion of the assets without the lessor's consent.

Furthermore, the Group has elected not to recognize the right-of-use assets and lease liabilities for its printers, which qualify as short-term leases and low-value asset leases.

(19) Long-term borrowings

The details, conditions and terms of the long-term borrowings of the Group were as follows:

	March 31, 2026			
	Currency	**Range of interest rates**	**Maturity dates**	**Amounts**
Secured bank loans				
Bank loans	USD	6.6%	September 2030	$ 11,915
Bank loans	JPY	2.15%	December 2035	36,802
				48,717
Less: Current portion				(7,855)
Total				**$ 40,862**

	December 31, 2025			
	Currency	**Range of interest rates**	**Maturity dates**	**Amounts**
Secured bank loans				
Bank loans	USD	6.6%	September 2030	$ 12,244
Bank loans	JPY	1.9%	December 2035	54,127
				66,371
Less: Current portion				(7,729)
Total				**$ 58,642**

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	March 31, 2025			
	Currency	**Range of interest rates**	**Maturity dates**	**Amounts**
Secured bank loans				
Bank loans	USD	6.6%	September 2030	$ 13,722
Bank loans	JPY	1.9%	December 2035	64,639
				78,361
Less: Current portion				(7,391)
Total				$ 70,970

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

(20) Preference share liabilities

The details of the preference share liabilities of the Group were as follows:

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
A preference stock	$ -	-	4,595,089

There were no significant issues, repurchases and repayments of preference share liabilities for the three months ended March 31, 2026 and 2025. Information on interest expense for the period is discussed in note 6(28). Please refer to note 6(21) of the 2025 annual consolidated financial statements for other related information.

On July 30, 2025, the Company's special shareholders' meeting resolved to amend the Articles of Incorporation in order to support the ongoing transformation of the Company's Group sustainability development and to strengthen the equity features of the Class A preferred shares. The amendment eliminates both the cash mandatory redemption rights of Class A preferred shareholders and the cumulative preferred dividend rights in the event of partial or non-distribution of dividends. As a result of this amendment, the Class A preferred shares previously classified as liabilities will be reclassified under equity to reflect the adjustment in their equity nature.

The Company received a declaration from the preference shareholder, Embedded City, in August 2024, provided that the Company is not in breach of the preference share subscription agreement, Embedded City will not, prior to July 2026, send a written notice requesting the Company to redeem by cash all or any portion of its unconverted preference shares.

The Company received a declaration from the preference shareholder, Embedded City, in May 2024, wherein Embedded City should receive the preference dividends for 2024 according to the preference share subscription agreement and participate in dividend distribution declared in 2025 on ordinary shares such that Embedded City agrees on the dividend distribution for 2025 that belongs to net income in 2024, if the total amount of the preference shares (including the preference dividends and further participation in dividend distributions) reaches the adjusted net profit multiplied by the ownership proportion of preference shares of 70%, in excess of such amount, the Embedded City agrees not to continue to participate in the distribution.

(21) Employee benefits

Since there were no significant market fluctuations, curtailments, settlements, and no other significant one off event from the previous fiscal year, the pension costs in the financial statements were measured and disclosed based on the actuarial results determined on December 31, 2025 and 2024.

For information related to the Group's pension costs, please refer to note 12(1).

(22) Income tax

A. Income tax expenses

The amounts of income tax expenses were as follows:

	For the three months ended March 31	
	2026	**2025**
Current income tax expense		
Current period	$ 161,223	385,531

The amount of income tax expense recognized in other comprehensive income were as follows:

	For the three months ended March 31	
	2026	**2025**
Exchange differences on translation of foreign financial statements	$ 28,437	19,178

B. The Company's tax returns have been examined by the tax authorities through 2024.

(23) Capital and other equity

Except as described in the following paragraph, there were no significant changes in the Group's Capital and other equity for the three months ended March 31, 2026 and 2025. For further information on the shareholders' equity, please refer to note 6(24) of the consolidated financial statements for the year ended December 31, 2025.

A. Share Capital

For the three months ended March 31, 2026, employees of the Group exercised employee stock options for a total of 69 thousand shares, with an aggregate subscription price of $5,680 thousand. The related statutory registration procedures have not yet been completed, and the subscription proceeds were fully collected. Accordingly, $690 thousand was recognized as advance receipts for share capital and $4,990 thousand was recognized as capital surplus.

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For the three months ended March 31, 2025, employees of the Group exercised employee stock options for a total of 50 thousand shares, with an aggregate subscription price of $4,127 thousand. The related statutory registration procedures have not yet been completed as of March 31, 2025, and the subscription proceeds were fully collected. Accordingly, $500 thousand was recognized as advance receipts for share capital and $3,627 thousand was recognized as capital surplus. In addition, the share capital of $570 thousand capital stocks which have been advance received in beginning period have completed the related registration procedure.

A resolution was approved during the Company's extraordinary general meeting held on July 30, 2025, for the amendment to the Articles of Incorporation. For details, please refer to note 6(20).

B. Capital surplus

Details of the Company’s capital surplus were as follows:

		March 31, 2026	December 31, 2025	March 31, 2025
Paid-in capital in excess of par value	$	491,930	484,740	476,247
Preferrence share premium		2,220,225	2,220,225	-
Paid-in capital in excess of the par value derived from corporate bond conversion		186,826	186,826	186,826
Share options－bonds payable		87,533	87,533	87,533
Employee share options		49,527	46,470	33,260
Conversion right－preference share		2,098,524	2,098,524	35,191
Changes in equity of investments accounted for using equity method		26,555	26,555	26,555
Others		1,914	1,914	1,913
	$	**5,163,034**	**5,152,787**	**847,525**

C. Retained earnings

The following are the appropriation of earnings in 2025 and 2024 which were proposed during board's meeting and approved during the shareholders' meeting held on March 5, 2026 and June 11, 2025, respectively:

	2025		2024	
	Amount per share (NTD)	**Total amount**	**Amount per share (NTD)**	**Total amount**
Dividends distributed to ordinary shareholders:				
Cash	**$ 11.47**	**877,085**	**7.77**	**593,043**
Dividends distributed to preference shareholders:				
Cash	**$ 11.47**	**357,327**	**2.83**	**88,280**

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The preference share dividends of the Class A preferred shares for 2024, amounting to $153,935 thousand, was calculated based on an annual interest rate of 3.35%.

The appropriation of retained earnings for 2024 is consistent with the resolutions proposed by the Board of Directors. The appropriation of earnings distribution for 2025 will be presented for resolution in annual shareholders' meeting. The related information will be available on the Market Observation Post System on the website after the meeting.

(24) Share-based payment

Share-based payment for the three months ended March 31, 2026 and 2025. For related information on the share-based payment, please refer to note 6(25) of the consolidated financial statements for the year ended December 31, 2025.

The amount of compensation costs generated from share-based payments were as follows:

	For the three months ended March 31	
	2026	**2025**
Compensation cost	$ 5,274	5,485

(25) Earnings per share

	For the three months ended March 31	
	2026	**2025**
Basic earnings per share:		
Net income attributable to the Company	$ 295,445	670,796
Net income attributable to preference shareholders	(85,507)	(167,066)
Net income attributable to ordinary shareholders of the Company	$ 209,938	503,730
Weighted-average number of ordinary shares (in thousands)	76,449	76,305
Basic earnings per share	$ 2.75	6.60

	For the three months ended March 31	
	2026	**2025**
Diluted earnings per share:		
Net income attributable to ordinary shareholders of the Company	$ 209,938	503,730
Weighted-average number of ordinary shares (in thousands)	76,449	76,305
Effect of dilutive potential ordinary shares (in thousands) :	-	-
Employee remuneration	247	215
Employee share options	589	1,133
Weighted-average number of ordinary shares (in thousands) (diluted)	77,285	77,653
Diluted earnings per share	$ 2.72	6.49

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(26) Revenue from contracts with customers

A. Disaggregation of revenue

	For the three months ended March 31, 2026			
	Domestic	**U.S.A.**	**Others**	**Total**
Revenue from sale of goods	$ 505,078	2,507,087	458,605	3,470,770
Revenue from warranty and managed services	1,317	66,538	137	67,992
	$ 506,395	**2,573,625**	**458,742**	**3,538,762**

	For the three months ended March 31, 2025			
	Domestic	**U.S.A.**	**Others**	**Total**
Revenue from sale of goods	$ 543,931	4,810,640	503,687	5,858,258
Revenue from warranty and managed services	2,013	58,561	-	60,574
	$ 545,944	**4,869,201**	**503,687**	**5,918,832**

B. Contract liabilities

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Contract liabilities－current			
Sale of goods	$ 375,151	298,257	386,699
Warranty and managed services	77,706	75,272	117,249
	452,857	373,529	503,948
Contract liabilities－non-current			
Warranty and managed services	44,813	62,029	73,620
	$ 497,670	**435,558**	**577,568**

For details on notes and accounts receivable and loss allowance, please refer to note 6(2).

The amounts of revenue recognized for the three months ended March 31, 2026 and 2025 that were included in the contract liability balance at the beginning of the period were $73,372 thousand and $71,796 thousand, respectively.

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(27) Remuneration to employees and directors

On June 11, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles, if the company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 2%~10% shall be allocated as employee remuneration (including a minimum of 40% to those base-level employees) , and no more than 4% to its directors as remuneration. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, may include employees of the subsidiaries who meet certain specific requirements. Directors' remuneration shall be paid in cash only. Prior to the amendment, the Articles of Incorporation stipulated that, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 2%~10% should be allocated as employee remuneration and no more than 4% as remunerations for directors.

The remunerations to employees amounted to $12,352 thousand and $28,394 thousand, as well as the remunerations to directors amounted to $3,860 thousand and $8,873 thousand for the three months ended March 31, 2026 and 2025, respectively. These amounts were calculated using the Group's net income before tax without the remunerations to employees and directors for each period, multiplied by the percentage which is stated under the Group's Articles of Incorporation. These remunerations were expensed under operating costs or expenses for each period. If there are any subsequent adjustments to the actual remuneration amounts approved by the Board of Directors, the adjustment will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year. Shares distributed to employees as employees remuneration are calculated based on the closing price of the Company's shares on the day before the approval by the Board of Directors.

For the years ended December 31, 2025 and 2024, the remunerations to employees amounted to $41,374 thousand and $45,579 thousand, and the remunerations to directors amounted to $25,859 thousand and $14,243 thousand, respectively. Remuneration to employees and directors in 2025 were unpaid, whereas those for the year ended 2024 were paid in cash. There were no differences between the estimated amounts and the actual amounts of remuneration. The information is available on the Market Observation Post System website.

(28) Non-operating income and expenses

A. Interest income

	For the three months ended March 31	
	2026	**2025**
Interest income from bank deposits	$ 26,571	14,999
Interest income on lease receivable	-	9
Other interest income	-	4
	$ 26,571	**15,012**

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B. Other income

	For the three months ended March 31	
	2026	**2025**
Rental income	$ 2,306	5,887
Dividend income	-	6
	$ 2,306	**5,893**

C. Other gains and losses

	For the three months ended March 31	
	2026	**2025**
Gains on disposal of property, plant and equipment	$ -	524
Foreign exchange gains, net	21,535	49,293
Net losses on financial assets and liabilities at FVTPL	(2,659)	(1,364)
Others	6,248	354
	$ 25,124	**48,807**

D. Finance costs

	For the three months ended March 31	
	2026	**2025**
Interest expenses on bank loans	$ 8,083	7,272
Interest expenses on lease liabilities	3,172	3,533
Interest expenses on preference share liabilities	-	38,484
	$ 11,255	**49,289**

(29) Financial Instruments

Except as described in the following paragraph, there were no significant changes in the Group’s fair value of financial instruments exposed to credit risk and market risk. For related information about the fair value on financial instruments, please refer to note 6(30) of the consolidated financial statements for the year ended December 31, 2025.

A. Credit risk

(a) Credit risk exposure

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

(b) Concentration of credit risk

The Group mainly transacts with entities with good credit ratings, domestic and foreign. Aside from granting credit facilities to customers according to procedures for granting credits, the Group also continues to obtain understanding of the credit status of its customers. As of March 31, 2026, December 31 and March 31, 2025, The amounts of customers account for more than 10% of the Group' s accounts receivable were $1,209,956 thousand, $508,487 thousand and $2,443,331 thousand, respectively, resulting in the Group's accounts receivable were concentrated, but have evaluated the possibility of collecting accounts receivable periodically and recognize loss allowances properly, the authority expect the situation will not lead to significant loss in the future.

(c) Receivables and debt securities

For credit risk exposure on receivables, please refer to note 6(2). No loss allowances were recognized under other financial assets at amortized cost, including other receivables and other financial assets.

All of these financial assets are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 24 months expected credit losses.

B. Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments but excluding the impact of netting agreements, except for notes and accounts payable (including related parties) and other payables that are financial liabilities with contractual maturities within one year:

	Carrying amount	Contractual cash flows	Within 1 year	1~5 years	Over 5 years
March 31, 2026					
Non-derivative financial liabilities					
Short-term borrowings	$ 1,013,946	1,024,632	1,024,632	-	-
Lease liabilities	450,966	538,251	72,539	93,670	372,042
Long-term borrowings (including current portion)	48,717	53,782	9,427	34,642	9,713
Guarantee deposits received	106,733	106,733	414	104,763	1,556
	$ 1,620,362	**1,723,398**	**1,107,012**	**233,075**	**383,311**

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	Carrying amount	Contractual cash flows	Within 1 year	1~5 years	Over 5 years
December 31, 2025					
Non-derivative financial liabilities					
Short-term borrowings	$ 371,660	374,745	374,745	-	-
Lease liabilities	415,628	486,405	83,726	102,273	300,406
Long-term borrowings (including current portion)	66,371	74,079	9,567	36,183	28,329
Guarantee deposits received	105,830	105,830	1,230	103,415	1,185
	$ 959,489	**1,041,059**	**469,268**	**241,871**	**329,920**

	Carrying amount	Contractual cash flows	Within 1 year	1~5 years	Over 5 years
March 31, 2025					
Non-derivative financial liabilities					
Short-term borrowings	$ 628,991	644,555	644,555	-	-
Lease liabilities	461,177	542,418	92,137	140,094	310,187
Long-term borrowings (including current portion)	78,361	88,011	9,141	42,432	36,438
Preference share liabilities	4,595,089	4,595,089	-	4,595,089	-
Guarantee deposits received	144,098	144,098	197	142,716	1,185
	$ 5,907,716	**6,014,171**	**746,030**	**4,920,331**	**347,810**

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

C. Currency risk

(a) Exposure to currency risk

The Group' s financial assets and liabilities exposed to exchange rate risk were as follows:

	March 31, 2026		
	Foreign currency	**Exchange rate**	**NTD**
Financial assets			
Monetary items			
USD	$ 54,993	32.051	1,762,574
CNY	6,379	4.649	29,654
Investments accounted for using equity method			
USD	1,665	32.051	53,397
Financial liabilities			
Monetary items			
USD	26,096	32.051	836,414

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	December 31, 2025		
	Foreign currency	Exchange rate	NTD
Financial assets			
Monetary items			
USD	$ 52,938	31.416	1,663,086
CNY	6,384	4.496	28,703
Investments accounted for using equity method			
USD	1,645	31.416	51,677
Financial liabilities			
Monetary items			
USD	19,958	31.416	626,994

	March 31, 2025		
	Foreign currency	Exchange rate	NTD
Financial assets			
Monetary items			
USD	$ 77,227	33.205	2,564,332
CNY	6,616	4.573	30,255
Investments accounted for using equity method			
USD	1,672	33.205	55,535
Financial liabilities			
Monetary items			
USD	26,593	33.205	883,009

(b) 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, receivables, short-term borrowings, notes and accounts payable (including related parties), and other payables that are denominated in foreign currency. Assuming all other variable factors remain constant, a strengthening (weakening) of 5% of the NTD against the USD and CNY, as of March 31, 2026 and 2025, would have (decreased) increased the comprehensive income $53,210 thousand and $68,463 thousand for the three months ended March 31, 2026 and 2025, respectively.

(c) Foreign exchange gains or losses on monetary items

Due to the variety of the functional currencies of the Group’s entities, the Group’s foreign (losses) gains on monetary items amounted to $21,535 thousand and $49,293 thousand for the three months ended March 31, 2026 and 2025, respectively.

D. Interest rate risk

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 exposure to the interest rate risk of 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.

If the interest rate had increased or decreased by 1%, the Group's net income would have decreased or increased by $8,501 thousand and $1,415 thousand for the three months ended March 31, 2026 and 2025, respectively, with all other variable factors remaining constant.

E. Fair value of financial instruments

(a) Categories of financial instruments and fair value

The fair value of financial assets at FVTPL and FVOCI is measured on a recurring basis. The Group's carrying amount and the fair value of financial assets (including information for fair value hierarchy, but excluding financial instruments whose fair values approximate the carrying amounts, and lease liabilities), were as follows:

	March 31, 2026				
	Carrying	Fair value			
	amount	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL					
Foreign convertible promissory notes	$ 144,313	-	-	144,313	144,313
Fund	155,482	155,482	-	-	155,482
	$ 299,795	**155,482**	**-**	**144,313**	**299,795**
Financial liabilities at FVTPL					
Forward foreign exchange contracts	**$ 1,258**	**-**	**1,258**	**-**	**1,258**
Financial assets at FVOCI					
Domestic listed stocks	391	391	-	-	391
Unlisted stocks	66,663	-	9,356	57,307	66,663
	$ 67,054	**391**	**9,356**	**57,307**	**67,054**

(Continued)

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	December 31, 2025				
	Carrying	Fair value			
	amount	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL					
Forward foreign exchange contracts	$ 193	-	193	-	193
Foreign convertible promissory notes	137,789	-	-	137,789	137,789
	$ 137,982	**-**	**193**	**137,789**	**137,982**
Financial liabilities at FVTPL					
Forward foreign exchange contracts	**$ 1,620**	**-**	**1,620**	**-**	**1,620**
Financial assets at FVOCI					
Domestic listed stocks	$ 487	487	-	-	487
Unlisted stocks	69,956	-	13,461	56,495	69,956
	$ 70,443	**487**	**13,461**	**56,495**	**70,443**

	March 31, 2025				
	Carrying	Fair value			
	amount	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL					
Foreign convertible promissory note	**$ 31,829**	**-**	**-**	**31,829**	**31,829**
Financial liabilities at FVTPL					
Forward foreign exchange contracts	**$ 652**	**-**	**652**	**-**	**652**
Financial assets at FVOCI					
Domestic listed stocks	$ 475	475	-	-	475
Unlisted stocks	114,949	-	16,903	98,046	114,949
	$ 115,424	**475**	**16,903**	**98,046**	**115,424**

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

The Group estimates its financial instruments not measured at fair value using the following methods and assumptions:

Fair value measurement for financial assets and liabilities measured at amortized cost will be based on the latest quoted price and agreed upon price if these prices are available in active markets. When market value is unavailable, the fair value of financial assets and liabilities is evaluated based on the discounted cash flow of the financial assets and liabilities.

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(c) Valuation techniques for financial instruments that are measured at fair value

A. Non-derivative

The Group held its domestic listed stocks and domestic emerging market shares, which are measured at fair value, according to standard provisions and conditions, with the fair value being measured using the quoted prices in an active market.

Except for the above financial instruments with an active market, the Group estimated the fair value of the remaining financial instruments by using the valuation techniques. The valuation technique is used to arrive at their fair value, for which the market transaction prices of the similar companies and market conditions are considered Including calculation by using gettable market information at the report date.

B. Derivative

The fair value is measured using the public quotation. When a public quotation cannot be obtained, the fair value will be based on third-party pricing information. Forward foreign exchange contracts are usually valued based on the current forward exchange rate.

(d) Transfer between level 1 and level 2: None.

(e) Reconciliation of level 3 fair values:

	Financial assets at FVTPL-convertible promissory notes	Financial assets at FVOCI-equity investments without at active market
Balance as of January 1, 2026	$ 137,789	56,496
Total gains and losses		
Recognized in income	6,524	-
Recognized in other comprehensive income	-	811
Balance as of March 31, 2026	**$ 144,313**	**57,307**
Balance as of January 1, 2025	$ 31,427	98,297
Total gains and losses		
Recognized in income	402	-
Recognized in other comprehensive income	-	(251)
Balance as of March 31, 2025	**$ 31,829**	**98,046**

The total gains and losses that were included in "other gains and losses" and "unrealized gains and losses on financial assets at fair value through other comprehensive income" mentioned above.

(f) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure their fair value include financial assets at FVTPL – convertible promissory notes and financial assets at FVOCI – equity investments.

The Group classified its equity investments without an active market as recurring level 3 fair values in the fair value hierarchy due to the use of significant unobservable inputs. The significant unobservable inputs of the equity investments without an active market are independent, therefore, there is no correlation between them.

(30) Financial risk management

There were no significant changes in the Group's objectives and policies applied in the financial risk management from those in the consolidated financial statement for the year ended December 31, 2025. For related information about the financial risk management, please refer to note 6(31) of the consolidated financial statements for the year ended December 31, 2025.

(31) Capital management

The Group's objectives, policies and processes for capital management were consistent with those of consolidated financial statements for the year ended December 31, 2025. There were no significant changes in quantified factors of capital management from those in the consolidated financial statement for the year ended December 31, 2025. For related information about the capital management, please refer to note 6(32) of the consolidated financial statements for the year ended December 31, 2025.

(32) Financing activities of non-cash transactions

Reconciliation of liabilities arising from financing activities was as follows:

			Non-cash changes		
	January 1, 2026	**Cash flow**	**Foreign exchange movement**	**Other changes**	**March 31, 2026**
Short-term borrowings	$ 371,660	637,159	5,127	-	1,013,946
Lease liabilities (including current portion)	415,628	(24,824)	1,184	58,978	450,966
Guarantee deposits received	105,830	(1,174)	2,077	-	106,733
Long-term borrowings (including current portion)	66,371	(18,270)	616	-	48,717
	$ 959,489	**592,891**	**9,004**	**58,978**	**1,620,362**

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			Non-cash changes		
	January 1, 2025	Cash flow	Foreign exchange movement	Other changes	March 31, 2025
Short-term borrowings	$ 850,875	(225,406)	3,522	-	628,991
Lease liabilities (including current portion)	470,630	(20,722)	2,579	8,690	461,177
Guarantee deposits received	142,277	1,821	-	-	144,098
Long-term borrowings (including current portion)	72,159	2,287	3,915	-	78,361
	$ 1,535,941	(242,020)	10,016	8,690	1,312,627

7. Related-party Transactions

(1) Names and relationship with related parties

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

Name of related parties	Relationship with the Group
Acer Inc. (Acer) (Note 1)	Parent Company
MiTwell, Inc. (MiTwell)	Associate
LePOS Limited	Associate
Qugo Travel Technologies Private Limited(QUGO)	Associate
GDX Holdings Limited (GDX Holdings) (Note 2)	Associate
WELINK SOLUTIONS Inc. (WELINK)	Subsidiary of associate
Godex International Co., LTD. (Note 3)	Subsidiary of associate
Esquarre Capital Taiwan Branch (Esquarre)	Substantive related party
Weblink International Inc. (Note 4)	Other related parties
Acer Synergy Manpower Corp. (Note 4)	Other related parties
Acer e-Enabling Service Business Inc. (Note 4)	Other related parties
Apacer Technology Inc. (Note 5)	Other related parties
Bluechip Infotech Pty Ltd (Note 4)	Other related parties
Goodson Imports Pty Ltd (Note 6)	Other related parties

(Note 1) Acer obtained control over the Company on July 1, 2025 and has become the parent company of the Group thereafter.

(Note 2) In January 2026, the Group acquired 49.375% equity interest of GDX Holdings for $592,500 thousand in order to participate public tender offer of Godex International Co., LTD., resulting in the Group to have significant influence over GDX Holdings.

(Note 3) In February 2026, GDX Holdings acquired 80.39% equity interest of, and obtained significant influence over Godex International Co., LTD., who became a related party of the Group thereafter.

(Continued)

(Note 4) A subsidiary of Acer, who indirectly acquired the entire equity interests of Embedded City Taiwan Limited, a major shareholder of the Company, on April 30, 2025. As a result, Acer Inc. obtained a significant influence over the Group, Accordingly, Acer Inc. and its subsidiaries have become related parties of the Group.

(Note 5) An associate of Acer, who become a related party of the Group since July 1, 2025.

(Note 6) In October 2025, the Group invested in the convertible promissory notes issued by Bluechip Infotech Pty Ltd, a subsidiary of Acer, providing capital to Bluechip Infotech Pty Ltd to acquire 70% of its existing equity interest in Goodson Imports Pty Ltd., who became a related party of the Group thereafter.

(2) Significant related-party transactions

A. Operating revenue

	For the three months ended March 31	
	2026	**2025**
Associates and their subsidiaries	$ 11,785	9,253
Other related parties	5,464	-
	$ 17,249	**9,253**

The selling prices for sales to related parties were determined by the products' fair market value, and the collection terms were mainly 30-90 days, which were similar to those offered to third party customers.

The Group's receivables due from related parties as a result of transactions mentioned above were as follows:

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Associates and their subsidiaries	$ 8,872	2,569	8,427
Other related parties	4,566	9,268	-
	$ 13,438	**11,837**	**8,427**

B. Purchases

	For the three months ended March 31	
	2026	**2025**
Parent company	$ 4,625	-
Associates and their subsidiaries	60,762	103,217
Other related parties	41,070	-
	$ 106,457	**103,217**

The terms and pricing of purchase transactions with related parties were not significantly different from those with third party vendors.

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The Group's payables to related parties as a result of transactions mentioned above were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Parent company	$ 2,590	-	-
Associates and their subsidiaries	27,564	17,020	46,887
Other related parties	31,155	4,752	-
	$ 61,309	**21,772**	**46,887**

C. Property transactions

(a) Acquisition of property

For long-term investment strategies, the Group subscribed to the 2-year zero-coupon convertible promissory notes issued by Bluechip Infotech Pty Ltd in October 2025 for AUD $3,525 thousand (NTD $70,915 thousand), wherein the Group has the right to convert them into preferred shares before maturity. Please refer to Notes 6(2), 6(29) and Table 2 for related information.

For the three months ended March 31, 2026, the Group purchased computer equipment from other related parties, with total consideration amounting to $87 thousand. As of March 31, 2026, the related payables had been fully settled.

D. Other transactions

(a) The amounts paid by the Group to its related parties for administrative and other expenses were as follows:

	For the three months ended March 31	
	2026	2025
Parent company	$ 11	-
Substantive related party	1,500	1,500
Associates and their subsidiaries	335	1,149
Other related parties	683	-
	$ 2,529	**2,649**

The Group's payables as a result of transactions mentioned above were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Parent company	$ 91	-	-
Associates and their subsidiaries	21	46	6,877
Other related parties	161	162	-
	$ 273	**208**	**6,877**

Accounts payable of subsidiary of associate mentioned above including collection and payment on behalf.

(b) The Group signed lease contracts with its related parties, with lease terms based on their mutual agreements, and the related rental revenue was as follows:

	For the three months ended March 31	
	2026	**2025**
Associates and their subsidiaries	$ **1,132**	**1,508**

As of March 31, 2026, December 31 and March 31, 2025, the Group received the rental guaranteed deposits of $403 thousand, $403 thousand and $528 thousand, respectively.

(c) The Group's receivables as a result of transactions mentioned above were as follows:

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Associates and their Subsidiaries	$ **1,872**	**3,363**	**3,355**

E. Endorsement and guarantees

As of March 31, 2026, the Group pledged its 49.375% equity interest in GDX Holdings as collateral for the bank borrowings of GDX Holdings.

(3) Transactions with key management personnel

Key management personnel compensation comprised the following:

	For the three months ended March 31	
	2026	**2025**
Short-term employee benefits	$ 95,235	90,212
Post-employment benefits	1,395	1,710
Share-based payment	2,093	2,320
	$ **98,723**	**94,242**

The remuneration to directors and key executives was determined by the remuneration committee, which is based on the performance of individuals and market trends.

Please refer to note 6(24) for further information on share-based payment.

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8. Assets pledged as security

The carrying values of the Group's pledged assets are as follows:

Assets	Purpose of Pledged	March 31, 2026	December 31, 2025	March 31, 2025
Security deposit for loans (recognized as other financial assets — current)	Collateral for short-term bank loans	$ -	-	1,166
Property, plant and equipment	Collateral for bank borrowing	1,877,212	1,892,317	1,952,891
Cash in bank (recognized as financial assets at amortized cost)	Collateral for short-term bank loans	-	-	15,000
Time deposits (recognized as financial assets at amortized cost)	Collateral for long-term and short-term bank loans	485,754	474,891	576,554
Guarantee deposits paid (recognized as other financial assets－non-current)	Lease guarantee	27,987	29,004	29,661
Investments accounted for using equity method	Collateral for the bank borrowings of an associate	600,868	-	-
		$ 2,991,821	2,396,212	2,575,272

9. Significant Commitments and Contingencies

Company A, a customer of the Group, provided the guarantee deposit amounting to $104,763 thousand (USD $3,269 thousand) to ensure the delivery of its order. The deposit is not deductible to the payables and shall be fully refunded to Company A after the end of the project. The deposit received by the Group had been recognized as guarantee deposits received－non-current.

10. Significant Casualty Loss: None.

11. Significant Subsequent Events: None.

(Continued)

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12. Other

(1) Summaries of current-period employee benefits, depreciation, and amortization, by function, were as follows:

By function / By item	For the three months ended March 31, 2026			For the three months ended March 31, 2025		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee benefits						
Salary	197,402	677,152	874,554	233,497	926,029	1,159,526
Labor and health insurance	15,994	41,208	57,202	13,412	38,886	52,298
Pension	4,393	17,645	22,038	4,294	17,926	22,220
Others	5,168	21,288	26,456	7,783	23,356	31,139
Depreciation (note)	26,645	46,129	72,774	23,954	42,541	66,495
Amortization	151	8,250	8,401	147	4,910	5,057

Note: For the three months ended March 31, 2026 and 2025, the deprecation expenses of the assets leased to the third parties under operating leases amounted to $45 thousand and $46 thousand, respectively, recognized as deductions of rental revenue.

(2) Seasonality of operations

The Group's operations were not affected by seasonality or cyclicality factors.

13. Other disclosures

(1) Information on significant transactions:

The followings were the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the three months ended March 31, 2026:

A. Loans to other parties:None.

B. Guarantees and endorsements for other parties: Please refer to Table 1.

C. Information regarding material securities held at the reporting date (subsidiaries, associates and joint ventures not included): Please refer to Table 2.

D. Related-party transactions for purchases and sales with amounts exceeding the lower of $100 million or 20% of the capital stock: Please refer to Table 3.

E. Receivables from related parties with amounts exceeding the lower of $100 million or 20% of the capital stock: Please refer to Table 4.

F. Business relationships and significant intercompany transactions: Please refer to Table 5.

(2) Information on investees: Please refer to Table 6.

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(3) Information on investment in Mainland China: Please refer to Table 7.

(i) The names of investees in Mainland China, their main businesses and products, and other information: Please refer to Table 7.

(ii) Limitation on investment in Mainland China: Please refer to Table 7.

(iii) Significant transactions:

The significant intercompany transactions with the subsidiaries in Mainland China for the three months ended March 31, 2026, which were eliminated in the preparation of consolidated financial statements, are disclosed in "Information on significant transactions".

14. Segment information

The Group's operating segment information and reconciliation were as follows:

	For the three months ended March 31, 2026			
	Domestic	U.S.A.	Others	Total
Revenue from external customers	$ 506,395	2,573,625	458,742	3,538,762
Reportable segment profit	$ 167,541	1,091,107	17,864	1,276,512
Total segment assets				$ 21,164,877
Investments accounted for using equity method				815,252
Total assets				$ 21,980,129

	For the three months ended March 31, 2025			
	Domestic	U.S.A.	Others	Total
Revenue from external customers	$ 545,944	4,869,201	503,687	5,918,832
Reportable segment profit	$ 12,410	2,329,521	42,848	2,384,779
Total segment assets				$ 19,768,647
Investments accounted for using equity method				232,904
Total assets				$ 20,001,551

(Continued)

Posiflex Technology, Inc. and Subsidiaries

Guarantees and endorsements for other parties

For the three months ended March 31, 2026

Table 1 (In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (Note 2)	Highest balance for guarantees and endorsements during the period (Note 5)	Balance of guarantees and endorsements as of the reporting date (Note 5)	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of the accumulated amounts of guarantees and endorsements to net worth of the latest financial statements (Note 4)	Maximum amount for guarantees and endorsements (Note 2)	Parent company endorsements/ guarantees to third parties on behalf of the subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of the parent company	Endorsements/ guarantees to third parties on behalf of the companies in Mainland China	Note
		Name	Relationship with the Company (Note1)											
0	The Company	PBM	b	21,405,022	256,408	256,408	-	-	2.40 %	21,405,022	Y	N	N	Note 3
0	The Company	KIOSK	b	21,405,022	801,275	801,275	353,042	-	7.49 %	21,405,022	Y	N	N	
0	The Company	PTIL	b	21,405,022	53,942	53,942	29,423	-	0.50 %	21,405,022	Y	N	N	
0	The Company	MUSTEK	b	21,405,022	18,765	18,765	18,765	-	0.18 %	21,405,022	Y	N	N	
0	The Company	GDX Holdings	f	21,405,022	592,500	592,500	592,500	600,868	5.54 %	21,405,022	N	N	N	Note 6

Note 1: The Company may make endorsements/guarantees for the following companies:

a. A company which has business transactions with the Company
b. A company in which the Company directly and indirectly holds more than 50% of the voting shares.
c. A company that directly and indirectly holds more than 50% of the voting shares in the Company.
d. Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares.
e. The Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
f. All capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages.
g. Companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 2: According to the Company's guarantee of the endorsement:

a. Limit for the total endorsements/ guarantees amount shall not exceed 200% of the latest financial statements of the Company's net assets. The amount of endorsements/ guarantees for any single entity shall not exceed 200% of the latest financial statements of the Company's net assets.
b. The total amount of endorsements/ guarantees of the Company and its subsidiaries shall not exceed 200% of the latest financial statements of the Company's net assets. The amount of endorsements/ guarantees of the Company and its subsidiaries for any single entity shall not exceed 200% of the latest financial statements of the Company's net assets.

c. Besides the restrictions mentioned in the two paragraphs above, the Company makes endorsements/guarantees for another entity due to their business transactions, wherein the amount of endorsements/ guarantees for the individual entity shall not exceed the total amount of transactions between the Company and the entity in recent year (the higher of the purchase or sales amount between the parties).

According to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the net assets mentioned above refer to equity attributable to the shareholders of the Company on the balance sheet.

Note 3: The endorsement and guarantee limit provided by the Company to PBM is jointly shared with KIOSK; accordingly, the ending balance of endorsements and guarantees for KIOSK includes the shared portion.

Note 4: The ratio of endorsements/guarantees to net assets from the financial statements of the Company as of March 31, 2026.

Note 5: Both of the highest balance and the balance at the end of the period of the endorsements/guarantees for PBM each amounted to US$8,000 thousand; both of the highest balance and the balance at the end of the period of the endorsements/guarantees for KIOSK each amounted to US$25,000 thousand; both of the highest balance and the balance at the end of the period of the endorsements/guarantees for PTIL each amounted to US$1,683 thousand; Both of the highest balance and the balance at the end of the period of the endorsements/guarantees for MUSTEK each amounted to US$585 thousand；The ending balance of endorsements/guarantees with NTD was calculated by the exchange rate of US$1:NT$32.051 as of March 31, 2026.

Note 6: The Company pledged its 49.375% equity interest in GDX Holdings as collateral for the bank borrowing of GDX Holdings.

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Information regarding material securities held at the reporting date (subsidiaries, associates and joint ventures not included)

As of March 31, 2026

Table 2 (In Thousands of New Taiwan Dollars/share)

Name of holder	Category and name of security	Relationship with company	Account	Ending balance				Note
				Shares/Units	Carrying value	Percentage of ownership (%)	Fair value	
The Company	Banyan Hills Technologies, Inc. Convertible promissory note	-	Financial assets at fair value through profit or loss－non-current	-	30,673 (USD957)	-	30,673 (USD957)	
The Company	Bluechip Infotech Pty Ltd Convertible promissory note	Other related parties	Financial assets at fair value through profit or loss－non-current	-	113,650 (AUD5,139)	-	113,650 (AUD5,139)	
PORTEWELL	Welink Solutions, Inc.'s stock	Subsidiary of associate	Financial assets at fair value through other comprehensive income－non-current	1,935,346	28,520	9.68 %	28,520	
WCC	Mega Diamond Money Market Fund	-	Financial assets at fair value through profit and loss－current	11,667,938	155,482	-	155,482	

Note 1: For more information about the investment of subsidiaries, associates and joint ventures, please refer to Tables 6 and 7.

Posiflex Technology, Inc. and Subsidiaries

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

As of March 31, 2026

Table 3 (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)	
PORTEWELL	APT	Subsidiary	Sale	(1,235,464)	(83) %	Net 22 days from invoice date	-	-	345,209	43%	Note

Note : The relevant transactions and ending balance were eliminated in the consolidated financial statements.

Posiflex Technology, Inc. and Subsidiaries

Receivables from related parties with amounts exceeding the lower of $100 million or 20% of the capital stock

As of March 31, 2026

Table 4 (In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Loss Allowance	Note
					Amount	Action taken			
The Company	PBM	Subsidiary	243,945	0.05	135,699	Strengthen collections of receivables	19,749	-	Note
The Company	PTIL	Subsidiary	136,974	0.13	41,179	Strengthen collections of receivables	12,607	-	Note
PORTWELL	APT	Subsidiary	345,209	1.46	-	-	345,209	-	Note
PORTWELL	EPT	Subsidiary	213,762	0.04	173,844	Strengthen collections of receivables	-	-	Note

Note : The relevant transactions and ending balance were eliminated in the consolidated financial statements.

Posiflex Technology, Inc. and Subsidiaries

Business relationships and significant intercompany transactions

For the three months ended March 31, 2026

Table 5 (In Thousands of New Taiwan Dollars)

No. (Note 2)	Name of company	Name of counter-party	Nature of relationship (Note 3)	Intercompany transactions			
				Account (Note 5)	Amount	Trading terms	Percentage of the consolidated total revenue or total assets (Notes 1, 4)
0	The Company	PBM	1	Sales Revenue	47,744	The selling price for related parties, determined by the consumption situation in their regions, approximated the market price	1 %
0	The Company	PBM	1	Accounts Receivable	243,945	Net 150 days from invoice date	1 %
0	The Company	PTIL	1	Sales Revenue	68,502	The selling price for related parties, determined by the consumption situation in their regions, approximated the market price.	2 %
1	PORTWELL	APT	3	Sales Revenue	1,235,464	The selling price for related parties, determined by the consumption situation in their regions, approximated the market price	35 %
1	PORTWELL	APT	3	Accounts Receivable	345,209	Net 22 days from invoice date	2 %

Note 1: The transactions with amount that account for more than 1% of the consolidated total revenue or total assets were disclosed.

Note 2: The information of number is as follow:
1. The number 0 represents the parent company.
2. The subsidiaries are numbered in order starting from number 1.

Note 3: The types of relationships with traders are as follows:
1. The parent company to the subsidiary.
2. The subsidiary to the parent company.
3. The subsidiary to the subsidiary.

Note 4: The ratio of the transaction amount to the consolidated total sales revenue or consolidated total assets was calculated as follows:
1. For transaction amount accounted for as asset or liability, the ratio is calculated based on the ending balance of the consolidated total assets.
2. For transaction amount accounted for as profit or loss, the ratio is calculated based on the accumulated amount of profit or loss at the end of the financial period of the consolidated total sales revenue.

Note 5: Only the sales revenue and accounts receivable from related parties were disclosed; the relative purchase and accounts payable need not be redisclosed.

Posiflex Technology, Inc. and Subsidiaries
Information on investees
For the three months ended March 31, 2026

Table 6 (In Thousands of New Taiwan Dollars/ Share)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2026			Net income (losses) of investee	Share of profits/losses of investee	Note
				March 31, 2026	December 31, 2025	Shares	Percentage of ownership	Carrying value			
The Company	PORTWELL	Taiwan	Research and development, manufacturing, and sale of industrial computers and peripheral equipment, and related software services	2,534,078	2,534,078	54,070,812	55.00 %	5,457,095	546,223	297,124	Subsidiary (Notes 1,2)
The Company	PBM	U.S.A.	Import and export of Posiflex brand-name products	3,486,662	3,413,718	417,034,408	100.00 %	2,369,636	(63,761)	(63,761)	Subsidiary (Notes 1,3)
The Company	PIC	Seychelles	Import and export of Posiflex brand-name products	107,055	107,055	-	100.00 %	44,482	(6,150)	(6,150)	Subsidiary (Note 1)
The Company	PENETEK	Taiwan	Manufacture and sale of computers and peripheral equipment	36,910	36,910	3,691,000	61.52 %	26,258	(708)	(436)	Subsidiary (Note 1)
The Company	KOMING	Taiwan	Import and export and software services	15,000	15,000	1,500,000	100.00 %	10,580	31	31	Subsidiary (Note 1)
The Company	PBMM	Malaysia	Import and export of Posiflex brand-name products	7,795	7,795	801,214	83.46 %	14,959	710	588	Subsidiary (Note 1)
The Company	PTSC	Argentina	Import and export of Posiflex brand-name products	15,151	15,151	-	100.00 %	(28)	-	-	Subsidiary (Note 1)
The Company	ONK Cloud	Taiwan	Software services	3,196	3,196	319,667	99.90 %	79	-	-	Subsidiary (Note 1)
The Company	PG	Germany	Import and export of Posiflex brand-name products	67,989	67,989	-	100.00 %	20,772	(1,851)	(1,851)	Subsidiary (Note 1)
The Company	PTIL	India	Import and export of Posiflex brand-name products	8,441	8,441	51,000	51.00 %	10,706	(26,364)	(13,445)	Subsidiary (Note 1)
The Company	PTPL	Singapore	Import and export of Posiflex brand-name products	11,612	11,612	500,000	100.00 %	(4,290)	(5,635)	(5,635)	Subsidiary (Note 1)
The Company	PJ	Japan	Import and export of Posiflex brand-name products	43,162	43,162	2,400	100.00 %	(8,991)	(3,234)	(3,234)	Subsidiary (Note 1)
The Company	LePOS	Hong Kong	Import and export	52,403	52,403	17,500	35.00 %	53,388	1,894	663	Investment accounted for using the equity method
The Company	KIOSKTW	Taiwan	Software services	29,000	29,000	2,900,000	100.00 %	24,547	1,890	1,890	Subsidiary (Notes 1, 4)
The Company	GDX Holdings	Taiwan	Investing	592,500	-	59,250,000	49.38 %	600,868	16,998	8,368	Investment accounted for using the equity method (Note 5)
ONK Cloud	ONK International	Samoa	Investment and holding activity	5,027	5,027	-	100.00 %	(98)	-	-	Subsidiary (Note 1)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2026			Net income (losses) of investee	Share of profits/losses of investee	Note
				March 31, 2026	December 31, 2025	Shares	Percentage of ownership	Carrying value			
PBM	KIA	U.S.A.	Investment and holding activity	3,295,755	3,295,755	1,012,355	82.00 %	1,779,063	(30,683)	(25,160)	Subsidiary (Note 1)
PBM	PBMLC	U.S.A	Investment and holding activity	699,784	626,840	-	100.00 %	713,275	(2,320)	(2,320)	Subsidiary (Notes 1,6)
PTIL	MUSTEK	India	Import and export of Posiflex brand-name products	48	48	10,000	82.00 %	5,443	(4,175)	(3,424)	Subsidiary (Note 1)
PTIL	QUINTA	India	Import and export of Posiflex brand-name products	931	931	69,999	70.00 %	(15,352)	(8,619)	(6,033)	Subsidiary (Note 1)
QUINTA	QUGO	India	Ecommerce platform for travel	474	474	12,500	25.00 %	(51)	(98)	(24)	Investment accounted for using the equity method
PORTWELL	APT	U.S.A.	Research and development, manufacturing, and sale of industrial computers and peripheral equipment, and related software services	909,329	909,329	42,777,780	100.00 %	4,591,258	100,907	100,907	Subsidiary (Note 1)
PORTWELL	PJI	Japan	Manufacture and sale of industrial computers and peripheral equipment, and related software services	31,383	31,383	1,980	99.00 %	165,970	2,369	2,346	Subsidiary (Note 1)
PORTWELL	DEVELOPMENT	Samoa	Investment and holding activity	91,840	91,840	2,800,000	100.00 %	40,856	(96)	(96)	Subsidiary (Note 1)
PORTWELL	EPT	Netherland	Sale of industrial computers and peripheral equipment, and related software services	208,574	208,574	45,000	100.00 %	8,483	(33,733)	(33,733)	Subsidiary (Note 1)
PORTWELL	PIT	India	Manufacture and sale of industrial computers and peripheral equipment	14,470	14,470	2,877,776	51.00 %	7,251	534	272	Subsidiary (Note 1)
PORTWELL	PKI	South Korea	Sale of industrial computers and peripheral equipment, and related software services	36,457	36,457	278,153	100.00 %	(5,262)	(371)	(371)	Subsidiary (Note 1)
PORTWELL	GANLOT	Taiwan	Sale of industrial computers and peripheral equipment, and related software services	16,800	16,800	2,800,000	100.00 %	61,200	(13)	(13)	Subsidiary (Note 1)
PORTWELL	MiTwell	Taiwan	Sale of industrial computers and peripheral equipment, and related software services	64,047	64,047	6,097,663	18.86 %	160,995	(11,983)	(1,861)	Investment accounted for using the equity method
PORTWELL	HOLDWEL	Cayman Islands	Investment and holding activity	233,441	233,441	120,000,000	100.00 %	339,337	2,318	2,319	Subsidiary (Note 1)
PORTWELL	WCC	Taiwan	Manufacture and sale of computers and peripheral equipment	299,239	299,239	10,764,000	41.00 %	296,103	(4,827)	(3,014)	Subsidiary (Notes 1,7)
APT	KIA	U.S.A.	Investment and holding activity	525,215	525,215	222,225	18.00 %	515,825	(30,683)	(5,523)	Subsidiary (Note 1)
DEVELOPMENT	HOLDING	Samoa	Investment and holding activity	91,840	91,840	2,800,000	100.00 %	41,574	(96)	(96)	Subsidiary (Note 1)
EPT	KES	Germany	Manufacture and sale of self-service equipment and software	59,953	59,953	1	100.00 %	97,274	2,092	2,092	Subsidiary (Note 1)
EPT	PUK	U.K.	Sale of industrial computers and peripheral equipment	3,883	3,883	200,000	100.00 %	15,216	11	11	Subsidiary (Note 1)
EPT	KESI	Italy	Sale of industrial computers and peripheral equipment	1,586	1,586	50,000	100.00 %	5,576	866	866	Subsidiary (Note 1)
HOLDWEL	MEDWEL	Taiwan	Sale of computers and peripheral equipment	92,000	92,000	9,200,000	100.00 %	253,191	36	36	Subsidiary (Note 1)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2026			Net income (losses) of investee	Share of profits/losses of investee	Note
				March 31, 2026	December 31, 2025	Shares	Percentage of ownership	Carrying value			
WCC	WCUS	U.S.A.	Sale of computers and peripheral equipment	3,114	3,114	1,000,000	100.00 %	3,661	(279)	(279)	Subsidiary (Notes 1, 7)
WCC	WCJP	Japan	Sale of computers and peripheral equipment	1,092	1,092	4,000	100.00 %	2,896	203	203	Subsidiary (Notes 1, 7)

Note 1: The relevant transactions and ending balance were eliminated in the consolidated financial statements.

Note 2: Share of profits / losses of investee includes the amortized adjustment caused by consolidated.

Note 3: On May 8, 2025, PBM resolved at the board meeting to conduct a cash capital increase at the amount of USD $25,000 thousand, which had been fully subscribed by the Group; of which USD $22,400 thousand (NTD $676,168 thousand) had been paid as of March 31, 2026.

Note 4: KIOSKTW increased its capital by cash in March 2025 which were fully subscribed by Group.

Note 5: In January 2026, the Group acquired 49.375% shares of GDX Holdings for $592,500 thousand in order to participate public tender offer of Godex International Co., LTD., resulting in the Group to have significant influence over GDX Holdings.

Note 6: In April 2025, the Group established a new subsidiary, PBMLC, for the purpose of purchasing a real estate property. As of March 31, 2026, the registration process has been completed; the share capital amounted to USD $22,400 (NTD $699,784 thousand).

Note 7: In addition to acquiring a 41% equity interest in WCC for NT$299,239 thousand on December 30, 2025. Moreover, the Group also entered into a written agreement, which became effective upon the closing date, with the shareholders of WCC on October 1, 2025, resulting in the Group obtaining a majority of the voting rights. Consequently, WCC and its subsidiaries have been included in the consolidated financial statements from that date.

Posiflex Technology, Inc. and Subsidiaries
Information on investment in Mainland China
For the three months ended March 31, 2026

Table 7 (In Thousands of New Taiwan Dollars)

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

Name of investee	Main businesses and products	Total amount of paid-in capital (Note 3)	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2026 (Note 4)	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2026 (Note 4)	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Note 1)	Book value	Accumulated remittance of earnings in current period	Note
					Outflow	Inflow							
Posiflex Business Machines (Beijing) Co., Ltd. (PBMB)	Import and export of Posiflex brand-name products	112,179	(Note 5)	112,179	-	-	112,179	(6,150)	100.00%	(6,150)	44,482	-	
ONK Clouding Shanghai (ONK Shanghai)	Software services	5,449	(Note 5)	5,449	-	-	5,449	-	99.90 %	-	(98)	-	
Beijing Caswell Ltd.	Manufacture and sale of networking and communication equipment	121,794	(Note 5)	21,923	-	-	21,923	(9,795)	18.00 %	-	15,845	-	Note 2
Welink Technology Co., Ltd.	Sale of industrial computers and peripheral equipment, and related software services	39,903	(Note 5)	-	-	-	-	(1,071)	100.00%	(1,071)	(4,004)	-	Note 2

Note 1: The investment income (losses) recognized was based on the financial statements from the investee company, which had not been reviewed.

Note 2: The beginning investment amounts of Welink Technology were RMB $174 thousand and US$1,045 thousand; and the beginning investment amounts of Beijing Caswell were US$180 thousand. All investment capitals were remitted through the third regions.

Note 3: The amounts with NTD were calculated based on the exchange rate of US$1: NT$32.051 and RMB1: NT$4.649 at the end of March 2026. The paid-in capitals of PBMB, ONK Clouding Shanghai, Beijing Caswell, Welink Technology were US$3,500 thousand, US$170 thousand, US$3,800 thousand, US$1,245 thousand, respectively.

Note 4: The amounts with NTD were calculated based on the exchange rate of US$1: NT$32.051 at the end of March 2026. The cumulative investment amount from Taiwan at the beginning and the end of the period were US$3,500 thousand for PBMB, US$170 thousand for ONK Clouding Shanghai and US$684 thousand for Beijing Caswell.

Note 5: Investments in companies in Mainland China through the existing companies in the third regions.

(2) Limitation on investment in Mainland China

Accumulated Investment in Mainland China as of March 31, 2026 (Note 2)	**Investment Amounts Authorized by Investment Commission, MOEA (Note 3)**	**Upper Limit on Investment (Note 1)**
207,370	207,370	9,284,194

Note 1: According to Directions Governing the Examination of Investment or Technical Cooperation in Mainland China, the upper limit of investment in mainland China is the higher between 60% of the total equity or total consolidated equity.

Note 2: The amount with NTD was calculated based on the exchange rate of US$1: NT$32.051 at the end of March 2026. The amount of accumulated investments included that of the Company of US$3,670 thousand and PORTWELL of US$2,800 thousand.

Note 3: The amount with NTD was calculated based on the exchange rate of US$1: NT$32.051 at the end of March 2026. The investment amounts authorized by Investment Commission, MOEA included those of the Company of US$3,670 thousand, and PORTWELL of US$2,800 thousand.