ITH Corporation and Subsidiaries

Consolidated Financial Statements for the
Three Months Ended March 31, 2026 and 2025 and
Independent Auditors' Review Report

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
ITH Corporation

Opinion

We have reviewed the accompanying consolidated balance sheets of ITH Corporation and its subsidiaries (collectively, the "Group"), as of March 31, 2026, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). 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 Standard 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 review.

Scope of Review

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

Conclusion

Based on our review, 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 its consolidated financial performance and its consolidated cash flows for the three months period then ended March 31, 2026 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matter

The consolidated financial statements of ITH Corporation and its subsidiaries for the three months ended March 31, 2025 were reviewed by other auditors, whose review report dated May 6, 2025 expressed an unmodified conclusion on those financial statements.

The engagement partners on the reviews resulting in this independent auditors' review report are Chun-Hung Chen and Chia-Huang Hu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 5, 2026

<u>*Notice to Readers*</u>

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with 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 applied in the Republic of China.

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.

ITH CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	March 31, 2026		December 31, 2025		March 31, 2025	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	$ 3,075,022	12	$ 1,917,603	7	$ 7,991,491	29
Financial assets at fair value through profit or loss - current (Note 7)	-	-	1,243	-	-	-
Financial assets at amortized cost - current (Note 9)	786,080	3	764,320	3	731,680	3
Trade receivables (Notes 10 and 22)	2,835,601	11	3,022,035	12	3,096,539	11
Other receivables (Note 30)	56,745	-	83,898	-	88,771	-
Current tax assets (Notes 4 and 24)	2,119	-	231,301	1	229,182	1
Inventories (Note 11)	4,434,769	17	3,968,129	16	4,018,482	15
Prepayments (Note 16)	356,150	1	530,357	2	385,790	1
Other current assets (Note 16)	899,448	4	896,697	4	990,725	4
Total current assets	12,445,934	48	11,415,583	45	17,532,660	64
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Note 7)	77,557	-	47,175	-	43,989	-
Financial assets at fair value through other comprehensive income - non-current (Note 8)	103,256	-	79,864	-	101,498	-
Property, plant and equipment (Note 13)	784,974	3	771,795	3	817,055	3
Right-of-use assets (Note 14)	129,783	1	83,138	-	93,370	-
Intangible assets (Note 15)	4,792,985	19	4,873,305	19	162,185	1
Deferred tax assets (Notes 4 and 24)	186,565	1	174,699	1	143,753	-
Refundable deposits (Note 16)	7,055,793	27	8,006,604	31	8,398,942	31
Other non-current assets (Note 16)	144,300	1	165,974	1	144,609	1
Total non-current assets	13,275,213	52	14,202,554	55	9,905,401	36
TOTAL	$ 25,721,147	100	$ 25,618,137	100	$ 27,438,061	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 17)	$ -	-	$ 300,000	1	$ -	-
Financial liabilities at fair value through profit or loss - current (Note 7)	10,440	-	-	-	6,461	-
Contract liabilities - current (Note 22)	242,575	1	209,840	1	282,805	1
Trade payables	970,350	4	856,685	3	1,337,893	5
Other payables (Note 18)	2,553,051	10	2,747,625	11	3,426,092	13
Current tax liabilities (Notes 4 and 24)	357,474	1	253,736	1	285,920	1
Provisions - current (Note 19)	13,134	-	9,352	-	9,352	-
Lease liabilities - current (Note 14)	62,621	-	35,014	-	56,472	-
Other current liabilities (Note 18)	516,091	2	526,017	2	638,318	2
Total current liabilities	4,725,736	18	4,938,269	19	6,043,313	22
NON-CURRENT LIABILITIES						
Deferred tax liabilities (Notes 4 and 24)	512,066	2	522,623	2	532,514	2
Lease liabilities - non-current (Note 14)	66,911	1	47,351	-	36,656	-
Guarantee deposits received (Note 18)	28,763	-	71,349	1	232,116	1
Other non-current liabilities (Note 20)	25,390	-	25,191	-	21,827	-
Total non-current liabilities	633,130	3	666,514	3	823,113	3
Total liabilities	5,358,866	21	5,604,783	22	6,866,426	25
EQUITY (Notes 4, 21, 24 and 26)						
Share capital	4,923,966	19	4,923,966	19	4,923,966	18
Capital surplus	5,469,650	21	5,469,650	21	5,469,650	20
Retained earnings						
Legal reserve	225,181	1	225,181	1	-	-
Unappropriated earnings	9,653,008	38	9,373,713	37	10,133,368	37
Total retained earnings	9,878,189	39	9,598,894	38	10,133,368	37
Other equity	90,476	-	20,844	-	44,651	-
Total equity	20,362,281	79	20,013,354	78	20,571,635	75
TOTAL	$ 25,721,147	100	$ 25,618,137	100	$ 27,438,061	100

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

(With Deloitte & Touche review report dated May 5, 2026)

ITH CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
OPERATING REVENUE (Note 22)	$ 3,917,703	100	$ 4,575,248	100
OPERATING COSTS (Notes 11, 14 and 23)	(2,847,011)	(73)	(2,435,052)	(53)
GROSS PROFIT	1,070,692	27	2,140,196	47
OPERATING EXPENSES (Notes 10, 14, 23 and 30)				
Selling and marketing expenses	(297,685)	(8)	(310,480)	(7)
General and administrative expenses	(97,444)	(2)	(109,784)	(2)
Research and development expenses	(528,497)	(13)	(613,180)	(14)
Expected credit gain	66	-	-	-
Total operating expenses	(923,560)	(23)	(1,033,444)	(23)
PROFIT FROM OPERATIONS	147,132	4	1,106,752	24
NON-OPERATING INCOME AND EXPENSES (Notes 23 and 30)				
Interest income	23,087	1	46,914	1
Other income	11,351	-	8,299	-
Other gains and losses	100,586	2	141,175	3
Finance costs	(1,064)	-	(396)	-
Total non-operating income and expenses	133,960	3	195,992	4
PROFIT BEFORE INCOME TAX	281,092	7	1,302,744	28
INCOME TAX EXPENSE (Notes 4 and 24)	(1,797)	-	(376,709)	(8)
NET PROFIT FOR THE PERIOD	279,295	7	926,035	20
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	-	-	103	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	23,392	1	1,063	-
Income tax related to items that will not be reclassified subsequently to profit or loss	-	-	(21)	-
	23,392	1	1,145	-

(Continued)

ITH CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	$ 42,129	1	$ 32,912	1
Other comprehensive income for the period, net of income tax	65,521	2	34,057	1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 344,816	9	$ 960,092	21
NET INCOME ATTRIBUTABLE TO:				
Owners of the parent	$ 279,295	7	$ 926,035	20
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the parent	$ 344,816	9	$ 960,092	21
EARNINGS PER SHARE (Note 25)				
Basic	$ 0.58		$ 1.97	
Diluted	$ 0.58		$ 1.95	

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

(With Deloitte & Touche review report dated May 5, 2026) (Concluded)

ITH CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Capital (Note 21)			Retained Earnings (Note 21)			Other Equity (Notes 4, 21, 24 and 26)				
	Share (In Thousands)	Share Capital	Capital Surplus (Note 21)	Legal Reserve	Unappropriated Earnings	Total	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Others	Total	Total Equity
BALANCE ON JANUARY 1, 2025	492,397	$ 4,923,966	$ 5,469,650	$ -	$ 9,207,251	$ 9,207,251	$ 34,160	$ (875)	$ (34,256)	$ (971)	$ 19,599,896
Net profit for the three months ended March 31, 2025	-	-	-	-	926,035	926,035	-	-	-	-	926,035
Other comprehensive loss for the three months ended March 31, 2025, net of income tax	-	-	-	-	82	82	32,912	1,063	-	33,975	34,057
Total comprehensive income for the three months ended March 31, 2025	-	-	-	-	926,117	926,117	32,912	1,063	-	33,975	960,092
Restricted shares for employees	-	-	-	-	-	-	-	-	11,647	11,647	11,647
BALANCE ON MARCH 31, 2025	492,397	$ 4,923,966	$ 5,469,650	$ -	$ 10,133,368	$ 10,133,368	$ 67,072	$ 188	$ (22,609)	$ 44,651	$ 20,571,635
BALANCE ON JANUARY 1, 2026	492,397	$ 4,923,966	$ 5,469,650	$ 225,181	$ 9,373,713	$ 9,598,894	$ 39,049	$ (14,094)	$ (4,111)	$ 20,844	$ 20,013,354
Net profit for the three months ended March 31, 2026	-	-	-	-	279,295	279,295	-	-	-	-	279,295
Other comprehensive income for the three months ended March 31, 2026, net of income tax	-	-	-	-	-	-	42,129	23,392	-	65,521	65,521
Total comprehensive income for the three months ended March 31, 2026	-	-	-	-	279,295	279,295	42,129	23,392	-	65,521	344,816
Restricted shares for employees	-	-	-	-	-	-	-	-	4,111	4,111	4,111
BALANCE ON MARCH 31, 2026	492,397	$ 4,923,966	$ 5,469,650	$ 225,181	$ 9,653,008	$ 9,878,189	$ 81,178	$ 9,298	$ -	$ 90,476	$ 20,362,281

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

(With Deloitte & Touche review report dated May 5, 2026)

ITH CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 281,092	$ 1,302,744
Adjustments for:		
Depreciation expense	54,338	53,657
Amortization expense	97,749	36,692
Reversal of expected credit loss	(66)	-
Net (gain) loss on fair value changes of financial assets at fair value through profit or loss	(764)	408
Finance costs	1,064	396
Interest income	(23,087)	(46,914)
Compensation cost of share-based payment	4,111	11,647
Net loss on disposal of property, plant and equipment	-	1
Profit from lease modification	(66)	-
Write-down of inventories	59,143	3,567
Unrealized loss on foreign currency exchange	122,278	68,648
Reversal of provision for capacity guarantee	-	(960,732)
Changes in operating assets and liabilities		
Trade receivables	180,291	278,089
Other receivables	32,057	3,169
Inventories	(525,880)	(762,337)
Prepayments	30,944	5,252
Other current assets	(765)	(7,596)
Contract liabilities	32,735	53,464
Trade payables	96,914	143,031
Other payables	(198,107)	(47,170)
Other current liabilities	8,665	(13)
Other non-current liabilities	199	233
Cash generated from operations	252,845	136,236
Interest received	18,262	36,945
Interest paid	(1,075)	(396)
Income tax received (paid)	308,818	(6,013)
Net cash generated from operating activities	578,850	166,772
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through profit or loss	(17,935)	(5,082)
Payments for property, plant and equipment	(19,193)	(36,935)
Decrease in refundable deposits	997,301	961,675
Payments for intangible assets	(16,082)	(995)
Net cash generated from investing activities	944,091	918,663

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ITH CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2026	**2025**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of short-term borrowings	$ (300,000)	$ -
Refund of guarantee deposits received	(65,362)	(166,496)
Repayment of the principal portion of lease liabilities	(15,608)	(15,853)
Net cash used in financing activities	(380,970)	(182,349)
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	15,448	16,267
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,157,419	919,353
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,917,603	7,072,138
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 3,075,022	$ 7,991,491

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

(With Deloitte & Touche review report dated May 5, 2026) (Concluded)

1. GENERAL INFORMATION

ITH Corporation (formerly Ili Technology (Cayman) Corporation) was incorporated in the Cayman Islands on January 10, 2019, and is principally engaged in investment holding activities. The Company was renamed ITH Corporation on July 6, 2021.

The Company's parent company was formerly MediaTek Inc. ("MediaTek"). On November 30, 2020, MediaTek disposed of its equity interest in the Company to Midus Investments Limited ("Midus"). Since then, Midus has been the parent company.

On June 9, 2021, Midus, which was wholly owned by Nelpus Investments Limited ("Nelpus"), merged with the Company as part of an internal reorganization. Following the merger, the Company was the surviving entity.

The Company's shares have been listed on the Taiwan Stock Exchange (TWSE) since November 2024.

In January 2026, TPK Holding Co., Ltd. ("TPK-KY") acquired the equity interests held by Nelpus and other shareholders, and thereby indirectly holds a 23.83% equity interest in the Company. Since then, TPK-KY has been the parent company.

The Company and its subsidiaries are principally engaged in the integrated circuit design business. The principal place of business of the Company is in Hsinchu, Taiwan.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on May 5, 2026.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

   The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Group's accounting policies.

b. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified its main business activities as investing in particular types of assets and providing financing to customers.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income Taxes, and profit or loss.

- IFRS 18 provides guidance to enhance the requirements for aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses, and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, To present in the primary financial statements line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group shall label items as “other” only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.

- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

Except for the above impacts, as of the date the consolidated financial statements were authorized for issue, the Group continues to assess the other possible impacts of the above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impacts when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these consolidated financial statements is less than the disclosure information required in a complete set of annual financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for financial instruments which are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 12, Tables 6 and 7 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2025.

1) Retirement benefits

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

2) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to the expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

For the material accounting judgments and key sources of estimation uncertainty, please refer to the consolidated financial statements for the year ended December 31, 2025.

6. CASH AND CASH EQUIVALENTS

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand	$ 327	$ 358	$ 448
Checking accounts and demand deposits	840,754	1,000,277	1,996,451
Cash equivalents (investments with original maturities of 3 months or less)			
Time deposits	2,233,941	916,968	5,994,592
	$ 3,075,022	$ 1,917,603	$ 7,991,491

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets at fair value through profit or loss (FVTPL) - current			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts	$ -	$ 1,243	$ -
Financial assets at fair value through profit or loss (FVTPL) - non-current			
Financial assets mandatorily classified as at FVTPL			
Limited partnership funds (Note 8)	$ 77,557	$ 47,175	$ 43,989
Financial liabilities at FVTPL - current			
Financial liabilities held for trading			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	$ 10,440	$ -	$ 6,461

At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
March 31, 2026			
Buy	NTD/USD	2026.04.30	NTD127,470/USD4,000
Sell	USD/NTD	2026.04.07-2026.09.18	USD24,000/NTD762,160
December 31, 2025			
Sell	USD/NTD	2026.01.02-2026.03.26	USD13,000/NTD410,840
March 31, 2025	USD/NTD	2025.04.07-2025.04.30	USD27,000/NTD888,930

The Group entered into foreign exchange forward contracts primarily to hedge against the risks arising from exchange rate fluctuations of foreign currency-denominated assets and liabilities.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2026	December 31, 2025	March 31, 2025
Non-current			
Investments in equity instruments at FVTOCI			
Limited partnership funds (Note 7)	$ 103,256	$ 79,864	$ 101,498

The Group invested in the limited partnership Walden Technology Ventures IV, L.P. for long-term strategic purposes and expects to realize returns through its long-term investment. Management of the Company believes that recognizing short-term fluctuations in the fair value of these investments in profit or loss would not be consistent with the aforementioned long-term investment strategy. Accordingly, the Group has elected to designate these investments as financial assets at fair value through other comprehensive income (FVTOCI).

For investments in limited partnerships made before June 30, 2023, where the investment agreements stipulate a fixed term and any extension requires approval by the partners, the Group elected, in accordance with the FSC Q&A, not to apply retrospectively the IFRS Q&A "Classification of Financial Assets Arising from Investments in Limited Partnerships" issued by the Accounting Research and Development Foundation. Accordingly, such investments continue to be classified as investments in equity instruments designated as at fair value through other comprehensive income (FVTOCI).

9. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Time deposits with original maturities of more than 3 months	$ 786,080	$ 764,320	$ 731,680

The ranges of interest rates for time deposits with original maturities of more than 3 months were approximately 1.45%-1.60%, 1.45%-1.60% and 1.35%-1.95% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

10. TRADE RECEIVABLES

	March 31, 2026	December 31, 2025	March 31, 2025
At amortized cost			
Gross carrying amount	$ 2,877,618	$ 3,064,118	$ 3,138,400
Less: Allowance for impairment loss	(42,017)	(42,083)	(41,861)
	$ 2,835,601	$ 3,022,035	$ 3,096,539

The average credit period of sales of goods is 30 to 90 days. No interest is charged on trade receivables. In order to minimize credit risk, the management of the Company has delegated to a team the responsibility for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade receivable at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes that the Group's credit risk is significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to past default experience of the customer, the customer's current financial position, and the economic condition of the industry in which the customer operates, as well as GDP forecasts and industry outlook. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following aging schedule details the loss allowance of trade receivables based on the Group's provision matrix.

March 31, 2026

	Not Past Due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 90 Days Past Due	Over 90 Days Past Due	Total
Gross carrying amount	$ 2,317,560	$ 478,495	$ 29,405	$ 3,508	$ 48,650	$ 2,877,618
Loss allowance (Lifetime ECLs)	-	(28)	(10)	(5)	(41,974)	(42,017)
Amortized cost	$ 2,317,560	$ 478,467	$ 29,395	$ 3,503	$ 6,676	$ 2,835,601

December 31, 2025

	Not Past Due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 90 Days Past Due	Over 90 Days Past Due	Total
Gross carrying amount	$ 2,549,319	$ 407,723	$ 59,846	$ 3,652	$ 43,578	$ 3,064,118
Loss allowance (Lifetime ECLs)	-	(45)	(35)	(8)	(41,995)	(42,083)
Amortized cost	$ 2,549,319	$ 407,678	$ 59,811	$ 3,644	$ 1,583	$ 3,022,035

March 31, 2025

	Not Past Due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 90 Days Past Due	Over 90 Days Past Due	Total
Gross carrying amount	$ 2,457,211	$ 502,437	$ 113,061	$ 582	$ 65,109	$ 3,138,400
Loss allowance (Lifetime ECLs)	-	-	-	-	(41,861)	(41,861)
Amortized cost	$ 2,457,211	$ 502,437	$ 113,061	$ 582	$ 23,248	$ 3,096,539

The movements of the loss allowance of trade receivables were as follows:

	For the Three Months Ended March 31	
	2026	2025
Balance on January 1	$ 42,083	$ 41,861
Add: Amounts recovered	(66)	-
Balance on March 31	$ 42,017	$ 41,861

11. INVENTORIES

	March 31, 2026	December 31, 2025	March 31, 2025
Finished goods	$ 573,419	$ 564,066	$ 402,994
Work in progress	3,397,555	2,741,986	3,432,847
Raw materials	463,795	625,729	182,641
Inventory in transit	-	36,348	-
	$ 4,434,769	$ 3,968,129	$ 4,018,482

The nature of the cost of goods sold was as follows:

	For the Three Months Ended March 31	
	2026	2025
Cost of inventories sold	$ 2,956,552	$ 3,396,172
Inventory write-downs	59,143	3,567
Production compensation income	(162,093)	-
Reversal of capacity guarantee provision (Note 19)	-	(960,732)
Income from sale of scraps and waste materials	(6,591)	(3,955)
	$ 2,847,011	$ 2,435,052

During the three months ended March 31, 2025, the Group recognized a gain from the reversal of capacity guarantee provisions as a result of amendments to contractual terms agreed with certain suppliers.

During the three months ended March 31, 2026, the Group received compensation from suppliers for production and testing rework, which was recorded as a deduction from cost of goods sold.

12. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements:

Investor	Investee	Nature of Activities	Percentage of Ownership March 31, 2026	Percentage of Ownership December 31, 2025	Percentage of Ownership March 31, 2025	Remark
The Company	Ili Technology Corp.	Research, design and development of driver IC	100.00%	100.00%	100.00%	
	Granda Microelectronics (Xiamen) Ltd.	Research, design and development of driver IC	100.00%	100.00%	100.00%	
	Howdi Microelectronics (SZ) Ltd.	Sales of electronic products as well as consulting services and after-sales service of related technologies	20.21%	20.21%	20.21%	
Ili Technology Corp.	ILITEK Holding Inc.	General investment business	100.00%	100.00%	100.00%	
	W1 Technology Co., Ltd.	Research, design and development of IC	-	-	100.00%	*
ILITEK Holding Inc.	Howdi Microelectronics (SZ) Ltd.	Sales of electronic products as well as consulting services and after-sales service of related technologies	79.79%	79.79%	79.79%	
Howdi Microelectronics (SZ) Ltd.	Hefei Howdi Microelectronics Co., Ltd.	Research, design and development of driver IC	100.00%	100.00%	100.00%	

* As part of an internal reorganization, Ili Technology Corp. and W1 Technology Co., Ltd. merged on June 2, 2025, with Ili Technology Corp. as the surviving entity.

13. PROPERTY, PLANT AND EQUIPMENT

Assets used by the Group

	Land	Buildings	Machinery Equipment	Leasehold Improvements	Other Equipment	Total
Cost						
Balance on January 1, 2026	$ 148,107	$ 595,985	$ 617,721	$ 24,951	$ 50,975	$ 1,437,739
Additions	-	-	2,530	18,568	3,059	24,157
Disposals	-	-	(31,697)	(13,669)	(5,583)	(50,949)
Reclassification	-	-	1,777	19,897	-	21,674
Effects of foreign currency exchange differences	-	8,821	1,455	263	651	11,190
Balance on March 31, 2026	$ 148,107	$ 604,806	$ 591,786	$ 50,010	$ 49,102	$ 1,443,811
Accumulated depreciation						
Balance on January 1, 2026	$ -	$ 318,891	$ 297,124	$ 21,270	$ 28,659	$ 665,944
Disposals	-	-	(31,697)	(13,669)	(5,583)	(50,949)
Depreciation expenses	-	7,409	26,194	1,111	2,860	37,574
Effects of foreign currency exchange differences	-	4,719	895	213	441	6,268
Balance on March 31, 2026	$ -	$ 331,019	$ 292,516	$ 8,925	$ 26,377	$ 658,837
Carrying amount on March 31, 2026	$ 148,107	$ 273,787	$ 299,270	$ 41,085	$ 22,725	$ 784,974
Cost						
Balance on January 1, 2025	$ 148,107	$ 592,452	$ 549,514	$ 26,026	$ 52,092	$ 1,368,191
Additions	-	-	24,500	3,232	5,095	32,827
Disposals	-	-	(5,064)	(4,356)	(322)	(9,742)
Effects of foreign currency exchange differences	-	6,679	944	231	554	8,408
Balance on March 31, 2025	$ 148,107	$ 599,131	$ 569,894	$ 25,133	$ 57,419	$ 1,399,684

(Continued)

	Land	Buildings	Machinery Equipment	Leasehold Improvements	Other Equipment	Total
Accumulated depreciation						
Balance on January 1, 2025	$ -	$ 286,715	$ 216,240	$ 19,749	$ 28,508	$ 551,212
Disposals	-	-	(5,064)	(4,356)	(321)	(9,741)
Depreciation expenses	-	7,401	24,202	1,832	3,337	36,772
Effects of foreign currency exchange differences	-	3,326	427	220	413	4,386
Balance on March 31, 2025	$ -	$ 297,442	$ 235,805	$ 17,445	$ 31,937	$ 582,629
Carrying amount on March 31, 2025	$ 148,107	$ 301,689	$ 334,089	$ 7,688	$ 25,482	$ 817,055

(Concluded)

The Group did not recognize or reverse any impairment loss for the three months ended March 31, 2026 and 2025.

Depreciation expenses were calculated on a straight-line basis over their estimated useful lives as follows:

Buildings	10-50 years
Machinery equipment	1-7 years
Leasehold improvements	1-5 years
Other equipment	3-4 years

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount			
Buildings	$ 110,188	$ 62,405	$ 79,654
Transportation equipment	19,595	20,733	13,716
	$ 129,783	$ 83,138	$ 93,370

	For the Three Months Ended March 31	
	2026	2025
Additions to right-of-use assets		
Buildings	$ 67,047	$ 22,493
Transportation equipment	1,737	3,844
	$ 68,784	$ 26,337
Depreciation charge for right-of-use assets		
Buildings	$ 13,889	$ 13,469
Transportation equipment	2,875	3,416
	$ 16,764	$ 16,885

Except for the additions and recognition of depreciation expense, the Group's right-of-use assets did not experience significant sub-lease or impairments for the three months ended March 31, 2026 and 2025, respectively.

b. Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount			
Current	$ 62,621	$ 35,014	$ 56,472
Non-current	$ 66,911	$ 47,351	$ 36,656

Range of discount rates for lease liabilities was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Buildings	1.60%-3.27%	1.09%-3.27%	1.09%-3.61%
Transportation equipment	1.16%-2.49%	1.16%-2.49%	1.16%-2.49%

c. Material leasing activities and terms

The Group leases certain buildings and transportation equipment for use as offices and company vehicles, with lease terms of 2 to 4 years. The Group does not have bargain purchase options to acquire the leased buildings and transportation equipment at the end of the lease term. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

	For the Three Months Ended March 31	
	2026	2025
Expenses relating to short-term leases	$ 2,881	$ 2,339
Expenses relating to low-value asset leases	$ 135	$ 137
Total cash outflow for leases	$ (19,231)	$ (18,725)

The Group's leases of certain buildings qualify as short-term leases and leases of certain office equipment qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus did not recognize right-of-use assets and lease liabilities for these leases.

15. GOODWILL AND OTHER INTANGIBLE ASSETS

	March 31, 2026	December 31, 2025	March 31, 2025
Goodwill (a)	$ 3,170,449	$ 3,170,449	$ 64,291
Other intangible assets (b)			
Technology licenses	$ 154,972	$ 183,809	$ 94,179
Computer software	1,701	2,049	3,715
Customer relationships	1,465,863	1,516,998	-
	$ 1,622,536	$ 1,702,856	$ 97,894

a. Goodwill

On April 30, 2025, in consideration of future market development trends and the market competitive strategy arising from the synergies expected to be generated through integration with the Group's existing products, the Group acquired assets and technology licenses relating to Timing Controllers (TCON) from MediaTek Inc. and its subsidiary, MediaTek Singapore Pte. Ltd., for a total consideration of $4,980,750 thousand. The purchase price allocation for the acquisition was completed in the second quarter of 2025.

According to IAS 36, the impairment assessment of goodwill acquired in a business combination shall be performed at least annually. For the impairment assessment of goodwill, goodwill arising from a business combination is allocated to cash-generating units that are expected to benefit from the synergies of the combination. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. The impairment assessment is performed by comparing the value in use with the carrying amount of each cash-generating unit. The main assumptions used in calculating value in use are operating profit margin, growth rate and discount rate.

The impairment assessments performed for the years ended December 31, 2025 and 2024 indicated that no impairment loss was required. As of March 31, 2026 and 2025, the Group reassessed the foregoing impairment analysis and concluded that there had been no significant changes in the relevant assumptions and circumstances. Accordingly, no impairment loss was recognized.

b. Other intangible assets

Except for amortization recognized, the Group did not have significant additions, disposals, or impairment of other intangible assets during the three months ended March 31, 2026 and 2025.

Other intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Technology licenses	1-5 years
Computer software	3 years
Customer relationships	8 years

16. OTHER ASSETS

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Prepayments			
Prepayments for purchases*	$ 150,422	$ 293,345	$ 309,250
Value-added tax refundable	186,184	214,878	58,755
Prepaid expenses	17,039	19,682	12,345
Other prepayments	2,505	2,452	5,440
	$ 356,150	$ 530,357	$ 385,790
Other current assets			
Refundable deposits*	$ 890,917	$ 888,931	$ 982,018
Others	8,531	7,766	8,707
	$ 899,448	$ 896,697	$ 990,725
Non-current			
Refundable deposits*	$ 7,055,793	$ 8,006,604	$ 8,398,942
Other non-current assets			
Prepayments for purchases*	$ 144,300	$ 144,300	$ 144,300
Prepayments for equipment	-	21,674	309
	$ 144,300	$ 165,974	$ 144,609

* In response to the tight capacity constraints in the supply of semiconductor wafers and packaging and testing services, and to strengthen long-term cooperative relationships with wafer suppliers, the Group obtained capacity guarantees from suppliers through prepayments for purchases and refundable deposits. Such amounts are classified as current or non-current assets based on the expected timing of offsetting against future purchases and recovery of the deposits.

In addition, in response to recent fluctuations in overall market conditions and their impact on market demand, the Group has actively negotiated with suppliers to revise the calculation methodology of the capacity guarantee arrangements. Based on market conditions, the Group has recognized provisions for potential losses that may arise when actual purchase orders are lower than the reserved capacity committed under the arrangements. For related information, please refer to Note 19.

17. SHORT-TERM BORROWINGS (AS OF MARCH 31, 2026 AND 2025: NONE)

	December 31, 2025
Unsecured borrowings	
Bank loans	$ 300,000

* The weighted average effective interest rates on bank loans ranged from 1.80%-1.90% per annum as of December 31, 2025.

18. OTHER LIABILITIES

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Other payables			
Payables for salaries and bonuses	$ 1,606,041	$ 1,861,493	$ 2,323,714
Payables for processing expenses	744,933	673,377	800,791
Payables for compensation of employees	44,248	39,961	99,413
Payables for mask charges	21,567	39,418	16,941
Payables for remuneration of directors	18,558	15,396	36,260
Payables for service expenses	16,640	24,382	13,149
Payables for purchases of equipment	12,089	10,907	30,540
Payables for royalties	-	17,423	18,927
Others	88,975	65,268	86,357
	$ 2,553,051	$ 2,747,625	$ 3,426,092
Other current liabilities			
Guarantee deposits received*	$ 495,609	$ 514,200	$ 627,084
Others	20,482	11,817	11,234
	$ 516,091	$ 526,017	$ 638,318
Non-current			
Guarantee deposits received*	$ 28,763	$ 71,349	$ 232,116

* Due to capacity constraints in the market and to maintain long-term relationships with major customers, the Group entered into agreements with certain customers to provide specified production capacity in accordance with the contractual terms upon receipt of deposits from the customers. Such deposits are classified as current or non-current liabilities based on the respective commitment periods under the agreements.

19. PROVISIONS

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Restoration obligation (a)	$ 13,134	$ 9,352	$ 9,352

	Restoration Obligation (a)	Capacity Guarantee (b)	Total
Balance on January 1, 2026	$ 9,352	$ -	$ 9,352
Additions	3,782	-	3,782
Balance on March 31, 2026	$ 13,134	$ -	$ 13,134
Balance on January 1, 2025	$ 9,352	$ 960,732	$ 970,084
Reversals	-	(960,732)	(960,732)
Balance on March 31, 2025	$ 9,352	$ -	$ 9,352

a. In accordance with its published policies and applicable contractual or legal requirements, the Group has obligations to dismantle, remove or restore certain items of property, plant and equipment and the sites on which they are located. When a restoration obligation arising from a lease contract is incurred, management of the Group recognizes a provision at the present value of the best estimate of the future economic outflows required to settle the obligation. Such estimates are reviewed periodically and adjusted based on the usage conditions of the related buildings.

b. In response to the tight capacity constraints in the supply of semiconductor wafers and packaging and testing services, and to strengthen long-term cooperative relationships with wafer suppliers, the Group obtained capacity guarantees from wafer suppliers through refundable deposits. Based on market conditions, when the unavoidable costs of fulfilling the obligations under the arrangements are expected to exceed the economic benefits expected to be received therefrom as a result of purchase orders being lower than the reserved capacity, the excess amount is recognized as cost of goods sold and a provision. During the three months ended March 31, 2025, following amendments to the relevant agreements and a reassessment of the expected utilization of reserved capacity, the Group reversed the related provisions and cost of goods sold.

20. RETIREMENT BENEFIT PLANS

For the three months ended March 31, 2026 and 2025, the pension expenses of defined benefit plans were $201 thousand and $242 thousand, respectively, which were calculated based on the pension cost rates determined by the actuarial calculations as of December 31, 2025 and 2024, respectively.

21. EQUITY

a. Share capital

	March 31, 2026	December 31, 2025	March 31, 2025
Number of authorized shares (in thousands of shares)	1,000,000	1,000,000	1,000,000
Amount of authorized shares	$ 10,000,000	$ 10,000,000	$ 10,000,000
Number of issued and fully paid shares (in thousands of shares)	492,397	492,397	492,397
Amount of issued and fully paid shares	$ 4,923,966	$ 4,923,966	$ 4,923,966

b. Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*			
Issuance of ordinary shares	$ 5,322,506	$ 5,322,506	$ 5,322,506
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	48,485	48,485	48,485
	5,370,991	5,370,991	5,370,991
May not be used for any purpose			
Employee restricted shares	98,659	98,659	98,659
	$ 5,469,650	$ 5,469,650	$ 5,469,650

* Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash

c. Retained earnings

Under the dividends policy as set forth in the Articles, where the Company earns a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside a legal reserve of 10% of the remaining profit, setting aside or reversing a special reserve, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved at the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors and supervisors after the amendment, refer to "compensation of employees and remuneration of directors and supervisors" in Note 23-g.

Under the dividend policy as set forth in the Articles, the Company is in a growth stage. Based on the needs of capital expenditures, business expansion and sound financial planning for sustainable development, the Company's dividend policy is to distribute dividends to shareholders in the form of cash dividends and/or share dividends, taking into consideration the Company's future capital expenditure budget and funding requirements, as well as changes in economic conditions and industry developments.

When the board of directors resolves to distribute profits, the total amount of dividends to shareholders shall not be less than 10% of the current year's earnings after deducting items that may not be distributed in accordance with applicable laws and regulations. Of the total dividends distributed to shareholders, the aggregate amount of cash dividends shall not be less than 10% of the total dividends declared.

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2025 and 2024, which were proposed by the board of directors on February 25, 2026 and approved in the annual shareholders' meeting on June 10, 2025, respectively, were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2025	**2024**
Legal reserve	$ 137,643	$ 225,181
Cash dividends	$ 492,397	$ 984,793
Cash dividends per share (NT$)	$ 1.00	$ 2.00

The appropriation of earnings for 2025 remains subject to resolution at the annual shareholders' meeting scheduled to be held on June 18, 2026.

d. Other equity items

1) Exchange differences on the translation of the financial statements of foreign operations

	For the Three Months Ended March 31	
	2026	**2025**
Balance on January 1	$ 39,049	$ 34,160
Recognized for the period		
Exchange differences on the translation of the financial statements of foreign operations	42,129	32,912
Balance on March 31	$ 81,178	$ 67,072

2) Unrealized valuation gain on financial assets at FVTOCI

	For the Three Months Ended March 31	
	2026	**2025**
Balance on January 1	$ (14,094)	$ (875)
Recognized for the period		
Unrealized gain - equity instruments	23,392	1,063
Balance on March 31	$ 9,298	$ 188

3) Unearned employee benefits

In the meeting of the board of directors on January 26, 2022 and June 19, 2019, the board of directors approved a restricted share plan for employees (see Note 26).

	For the Three Months Ended March 31	
	2026	**2025**
Balance on January 1	$ (4,111)	$ (34,256)
Share-based payment expenses recognized	4,111	11,647
Balance on March 31	$ -	$ (22,609)

22. REVENUE

	For the Three Months Ended March 31	
	2026	2025
Revenue from contracts with customers		
Revenue from the sale of goods	$ 3,917,703	$ 4,575,199
Revenue from the rendering of services	-	49
	$ 3,917,703	$ 4,575,248

Contract balances

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Trade receivables (Note 10)	$ 2,835,601	$ 3,022,035	$ 3,096,539	$ 3,374,628
Contract liabilities - current				
Sale of goods	$ 242,575	$ 209,840	$ 282,805	$ 229,341

The changes in the balance of contract liabilities primarily result from the timing difference between the Group’s satisfaction of performance obligations and the respective customers’ payment.

The amounts of revenue recognized in the current period that were included in contract liabilities at the beginning of the period relating to performance obligations satisfied in prior periods were as follows:

	For the Three Months Ended March 31	
	2026	2025
Contract liabilities at the beginning of the period		
Sale of goods	$ 72,636	$ 116,022

23. NET PROFIT

Net profit for the period includes the following items:

a. Interest income

	For the Three Months Ended March 31	
	2026	2025
Bank deposits	$ 20,240	$ 43,733
Financial assets at amortized cost	2,847	3,181
	$ 23,087	$ 46,914

b. Other income

	For the Three Months Ended March 31	
	2026	2025
Rental income	$ 1,249	$ 2,108
Gain on lease modifications	66	-
Others	10,036	6,191
	$ 11,351	$ 8,299

c. Other gains and losses

	For the Three Months Ended March 31	
	2026	2025
Net foreign exchange gains	$ 100,149	$ 147,683
Net gain (loss) on financial assets and financial liabilities at FVTPL	438	(6,507)
Loss on disposal of property, plant and equipment	-	(1)
Others	(1)	-
	$ 100,586	$ 141,175

d. Finance costs

	For the Three Months Ended March 31	
	2026	2025
Interest on lease liabilities	$ 607	$ 396
Interest on bank borrowings	457	-
	$ 1,064	$ 396

e. Depreciation and amortization

	For the Three Months Ended March 31	
	2026	2025
An analysis of depreciation by function		
Operating costs	$ 15,889	$ 15,223
Operating expense	38,449	38,434
	$ 54,338	$ 53,657
An analysis of amortization by function		
Operating costs	$ 3,248	$ 3,120
Selling expenses	53,376	2,351
Administrative expenses	261	508
Research and development expenses	40,864	30,713
	$ 97,749	$ 36,692

f. Employee benefits expense

	For the Three Months Ended March 31	
	2026	**2025**
Post-employment benefits (Note 20)		
Defined contribution plans	$ 27,213	$ 24,447
Defined benefit plans	201	242
	27,414	24,689
Share-based payments		
Equity-settled	4,111	11,647
Other employee benefits		
Salaries expense	525,821	757,749
Labor/health insurance expense	32,000	30,475
Other personnel expenses	18,634	17,875
Total other employee benefits	576,455	806,099
Total employee benefits expense	$ 607,980	$ 842,435
An analysis of employee benefits expense by function		
Operating costs	$ 37,143	$ 40,303
Operating expense	570,837	802,132
	$ 607,980	$ 842,435

g. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at rates of no less than 1% and not more than 1%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors and supervisors. The compensation of employees and the remuneration of directors and supervisors for the three months ended March 31, 2026 and 2025 are as follows:

Accrual rate

	For the Three Months Ended March 31	
	2026	**2025**
Compensation of employees	1.00%	1.00%
Remuneration of directors	1.00%	1.00%

Amount

	For the Three Months Ended March 31	
	2026	**2025**
Compensation of employees	$ 3,162	$ 10,495
Remuneration of directors	3,162	10,495
	$ 6,324	$ 20,990

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The appropriations of employees' compensation and remuneration of directors for 2025 and 2024 that were resolved by the board of directors on February 25, 2026 and March 14, 2025, respectively, are as shown below:

	For the Year Ended December 31	
	2026	**2025**
Compensation of employees	$ 15,396	$ 25,765
Remuneration of directors	$ 15,396	$ 25,765

There is no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2024. The appropriations of employees' compensation and remuneration of directors for 2025 remain subject to distribution.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors for 2025 and 2024 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

24. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended March 31	
	2026	**2025**
Current tax		
In respect of the current year	$ 108,009	$ 100,122
Adjustments for prior years	(83,804)	-
	24,205	100,122
Deferred tax		
In respect of the current year	(22,408)	276,587
Income tax expense recognized in profit or loss	$ 1,797	$ 376,709

b. Income tax assessments

The income tax returns of W1 Technology Co., Ltd. through 2024 have been assessed by the tax authorities.

The income tax returns of Ili Technology Corp. through 2023 have been assessed by the tax authorities.

25. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Three Months Ended March 31	
	2026	**2025**
Basic earnings per share	$ 0.58	$ 1.97
Diluted earnings per share	$ 0.58	$ 1.95

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net profit for the period

	For the Three Months Ended March 31	
	2026	**2025**
Earnings used in the computation of basic and diluted earnings per share	$ 279,295	$ 926,035

Shares

Unit: Shares (In Thousands)

	For the Three Months Ended March 31	
	2026	**2025**
Weighted average number of ordinary shares used in the computation of basic earnings per share	480,681	470,570
Effect of potentially dilutive ordinary shares:		
Restricted shares for employees	-	2,922
Compensation of employees	352	571
Weighted average number of ordinary shares used in the computation of diluted earnings per share	481,033	474,063

The Group may settle the compensation of employees in cash or shares; therefore, the Group assumes that the entire amount of such compensation will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such effect is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

26. SHARE-BASED PAYMENT ARRANGEMENTS

The Company had restricted shares for employees that were outstanding but not yet vested during the three months ended March 31, 2026 and 2025. The rights of employees with respect to the shares granted before the vesting conditions are satisfied are subject to certain restrictions.

On January 26, 2022, the board of directors of the Company's subsidiary, Ili Technology Corp., approved a paid issuance of the aforementioned ordinary shares of the Company under the 2021 First Restricted Share Plan for Employees at a subscription price of US$1.12 per share. The shares may not be transferred during the vesting period; however, voting rights and rights to participate in dividend distributions are not restricted. Employees who leave employment during the vesting period are required to return the shares granted, but are not required to return dividends already received.

The changes in the number of outstanding restricted shares for employees were as follows:

	For the Three Months Ended March 31	
Restricted Shares for Employees	**2026**	**2025**
Balance on January 1	14,558,950	23,954,500
Vested	(8,375,250)	(6,606,900)
Forfeited	(266,300)	(38,000)
Balance on March 31	5,917,400	17,309,600

The related fair value information is as follows:

Grant Date	Fair Value Per Share at Grant Date	Number of Shares Granted (Thousand Shares)	Vesting Period
2022.03.01	US$0.48	33,428	2-4 years

The compensation cost recognized for the three months ended March 31, 2026 and 2025 was $4,111 thousand and $11,647 thousand, respectively.

27. CASH FLOW INFORMATION

Changes in liabilities arising from financing activities

For the three months ended March 31, 2026

			Non-cash Changes					
	Opening Balance	Cash Flows	New Leases	Amortization of Financial Costs	Disposal Leases	Exchange Differences	Others	Closing Balance
Guarantee deposits received	$ 585,549	$ (65,362)	$ -	$ -	$ -	$ 4,185	$ -	$ 524,372
Short-term borrowings	300,000	(300,000)	-	-	-	-	-	-
Lease liabilities	82,365	(15,608)	68,784	607	(6,009)	-	(607)	129,532
	$ 967,914	$ (380,970)	$ 68,784	$ 607	$ (6,009)	$ 4,185	$ (607)	$ 653,904

For the three months ended March 31, 2025

			Non-cash Changes					
	Opening Balance	Cash Flows	New Leases	Amortization of Financial Costs	Disposal Leases	Exchange Differences	Others	Closing Balance
Guarantee deposits received	$ 1,042,582	$ (166,496)	$ -	$ -	$ -	$ (16,886)	$ -	$ 859,200
Lease liabilities	82,644	(15,853)	26,337	396	-	-	(396)	93,128
	$ 1,125,226	$ (182,349)	$ 26,337	$ 396	$ -	$ (16,886)	$ (396)	$ 952,328

28. CAPITAL MANAGEMENT

The Group manages its capital to safeguard the Group's ability to continue as a going concern, maintain an optimal capital structure to reduce the cost of capital, and to provide returns to shareholders. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors its capital using the debt ratio, which is calculated as total debt divided by total assets.

29. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

The management believes that all the carrying amounts of financial assets and financial liabilities not measured at fair value recognized in the consolidated financial statements approximate their fair values.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

March 31, 2026

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Limited partnership interests	$ -	$ -	$ 77,557	$ 77,557
Financial assets at FVTOCI				
Limited partnership interests	$ -	$ -	$ 103,256	$ 103,256
Financial liabilities at FVTPL				
Derivatives	$ -	$ 10,440	$ -	$ 10,440

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Limited partnership interests	$ -	$ -	$ 47,175	$ 47,175
Derivatives	-	1,243	-	1,243
	$ -	$ 1,243	$ 47,175	$ 48,418
Financial assets at FVTOCI				
Limited partnership interests	$ -	$ -	$ 79,864	$ 79,864

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Limited partnership interests	$ -	$ -	$ 43,989	$ 43,989
Financial assets at FVTOCI				
Limited partnership interests	$ -	$ -	$ 101,498	$ 101,498
Financial liabilities at FVTPL				
Derivatives	$ -	$ 6,461	$ -	$ 6,461

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the three months ended March 31, 2026

	Financial Assets at FVTPL	Financial Assets at FVTOCI	
Financial Assets (Liabilities)	**Limited Partnership Interests**	**Limited Partnership Interests**	**Total**
Balance on January 1	$ 47,175	$ 79,864	$ 127,039
Recognized in profit or loss	12,447	-	12,447
Recognized in other comprehensive income	-	23,392	23,392
Purchases	17,935	-	17,935
Balance on March 31	$ 77,557	$ 103,256	$ 180,813

For the three months ended March 31, 2025

	Financial Assets at FVTPL	Financial Assets at FVTOCI	
Financial Assets (Liabilities)	**Limited Partnership Interests**	**Limited Partnership Interests**	**Total**
Balance on January 1	$ 38,427	$ 100,435	$ 138,862
Recognized in profit or loss	480	-	480
Recognized in other comprehensive income	-	1,063	1,063
Purchases	5,082	-	5,082
Balance on March 31	$ 43,989	$ 101,498	$ 145,487

3) Valuation techniques and inputs applied for Level 2 fair value measurement

Financial Instrument	Valuation Technique and Inputs
Derivatives - foreign exchange forward contracts	Discounted cash flow. Future cash flows are estimated based on observable forward exchange rates at the end of the period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair value measurements categorized within Level 3 comprise financial assets at fair value through profit or loss - limited partnership interests and financial assets at fair value through other comprehensive income - limited partnership interests.

Quantitative information about significant unobservable inputs used in the valuation techniques for Level 3 fair value measurements is presented in the table above:

	Financial Instrument	Fair Value	Valuation Technique	Significant Unobservable Input	Range (Weighted Average)	Relationship of Inputs to Fair Value
March 31, 2026	Limited partnership interests	$ 180,813	Net asset value method	N/A	N/A	N/A
December 31, 2025	Limited partnership interests	$ 127,039	Net asset value method	N/A	N/A	N/A
March 31, 2025	Limited partnership interests	$ 145,487	Net asset value method	N/A	N/A	N/A

c. Categories of financial instruments

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets			
FVTPL			
Mandatorily classified as at FVTPL	$ 77,557	$ 48,418	$ 43,989
Financial assets at amortized cost (1)	14,659,284	14,609,982	21,224,711
Financial assets at FVTOCI			
Equity instruments	103,256	79,864	101,498
Financial liabilities			
FVTPL			
Held for trading	10,440	-	6,461
Financial liabilities at amortized cost (2)	2,387,293	2,601,099	3,194,995

1) The balances include cash and cash equivalents, financial assets at amortized cost, trade receivables, other receivables (excluding tax refund receivables) and refundable deposits.

2) The balances include short-term loans, trade payables, other payables (excluding payables for salaries and taxes) and guarantee deposits received.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, trade receivables, other receivables, refundable deposits, short-term borrowings, trade payables, other payables and guarantee deposits received. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

There has been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Group engages in sales and purchases denominated in foreign currencies, which expose the Group to the risk of fluctuations in foreign exchange rates. In order to mitigate the risks arising from changes in exchange rates that may adversely affect the value of foreign currency-denominated assets and future cash flows, the Group uses foreign exchange forward contracts to hedge against such exposures.

The use of foreign exchange forward contracts is governed by policies approved by the Group's board of directors. The Group does not enter into derivative financial instruments for speculative purposes.

For the carrying amounts of the Group's monetary assets and liabilities that are denominated in currencies other than the respective functional currencies at the end of the reporting period, please refer to Note 32. The carrying amounts of derivative financial instruments that are subject to foreign exchange risk are disclosed in Note 7

Sensitivity analysis

The Group is mainly exposed to the U.S. dollar and Chinese yuan.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (i.e., the functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The sensitivity analysis included only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the period for a 1% change in foreign currency rates. A positive number below indicates a decrease in pre-tax profit associated with the New Taiwan dollar strengthening 1% against the relevant currency. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit, and the balances below would be negative.

	Relevant Foreign Currencies	
	For the Three Months Ended March 31	
	2026	**2025**
Profit or loss	$ 48,598	$ 98,618

b) Interest rate risk

The Group has fair value risk from interest rate fluctuations due to holding fixed-rate financial assets and liabilities and cash flow risk from interest rate fluctuations due to holding floating-rate financial assets and liabilities. The Group's management periodically monitors changes in market interest rates and adjusts the positions of floating rate financial assets and liabilities to make the company's interest rates closer to market rates to cope with the risks arising from market interest rate changes.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value interest rate risk			
Financial assets	$ 3,020,021	$ 1,681,288	$ 6,726,272
Financial liabilities	129,532	382,365	93,128
Cash flow interest rate risk			
Financial assets	840,754	1,000,277	1,996,451

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for derivative instruments at the end of the period. For floating rate liabilities, the analysis was prepared assuming that the amount of each liability outstanding at the end of the period was outstanding for the whole period.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the three months ended March 31, 2026 and 2025 would have increased/decreased by $1,051 thousand, $2,496 thousand, respectively, which was mainly a result of the Group's variable-rate deposits.

c) Other price risk

The Group was exposed to equity price risk through its investments in beneficiary certificates and other equity instruments. The Group manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Group has appointed a special team to monitor the price risk.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period

If equity prices had been 1% higher/lower, pre-tax profit for the three months ended March 31, 2026 and 2025 would have increased/decreased by $776 thousand and $440 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and pre-tax other comprehensive income for the three months ended March 31, 2026 and 2025 would have increased/decreased by $1,033 thousand and $1,015 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. At the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of counterparties to discharge their obligations, is represented by the carrying amounts of the respective recognized financial assets as stated in the consolidated balance sheets.

The Group's policy is to transact only with creditworthy counterparties and, where necessary, obtain sufficient collateral to mitigate the risk of financial losses caused by defaults. The Group uses publicly available financial information and other relevant information, as well as historical transaction records, to evaluate its major customers. The Group continuously monitors its credit exposure and the credit ratings of its counterparties and spreads the aggregate amount of transactions among approved counterparties with qualified credit ratings.

The Group's concentration of credit risk was mainly attributable to its five largest customers, which accounted for 54%, 59% and 70% of total trade receivables as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents and utilization of bank borrowings deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group had available unutilized short-term bank loan facilities set out in (b) below.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

March 31, 2026

	Weighted Average Effective Interest Rate (%)	**On Demand or Less than 1 Month**	**1-5 Years**	**5+ Years**
Non-derivative financial liabilities				
Non-interest bearing	-	$ 4,019,010	$ 28,763	$ -
Lease liabilities	1.16-3.27	64,659	67,997	-
		$ 4,083,669	$ 96,760	$ -

December 31, 2025

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Month	1-5 Years	5+ Years
Non-derivative financial liabilities				
Non-interest bearing	-	$ 4,118,510	$ 71,349	$ -
Lease liabilities	1.09-3.27	36,355	48,428	-
Variable interest rate liabilities	1.80-1.90	300,442	-	-
		$ 4,455,307	$ 119,777	$ -

March 31, 2025

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Month	1-5 Years	5+ Years
Non-derivative financial liabilities				
Non-interest bearing	-	$ 5,391,069	$ 232,116	$ -
Lease liabilities	1.09-3.61	57,671	37,425	-
		$ 5,448,740	$ 269,541	$ -

b) Liquidity and interest rate risk table for derivative financial liabilities

The following table details the Group's liquidity analysis of its derivative financial instruments. For derivative instruments that are settled on a net basis, the table is based on the undiscounted contractual net cash inflows and outflows. For derivative instruments that require gross settlement, the table is based on the undiscounted gross cash inflows and outflows. When the amount payable or receivable is not fixed, the amount disclosed is determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

March 31, 2026

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year
Gross settled			
Foreign exchange forward contracts			
Inflows	$ 127,810	$ -	$ -
Outflows	(127,470)	-	-
	$ 340	$ -	$ -

(Continued)

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year
Net settled			
Foreign exchange forward contracts	$ (3,280)	$ (2,660)	$ 220

(Concluded)

December 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year
Net settled			
Foreign exchange forward contracts	$ 380	$ 1,870	$ -

March 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year
Net settled			
Foreign exchange forward contracts	$ (7,605)	$ -	$ -

c) Financing facilities

	March 31, 2026	December31, 2025	March 31, 2025
Unsecured bank facilities			
Amount used	$ -	$ 300,000	$ -
Amount unused	3,611,920	2,202,880	2,500,000
	$ 3,611,920	$ 2,502,880	$ 2,500,000

30. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. In addition to information disclosed elsewhere in the notes, details of transactions between the Group and other related parties are disclosed as follows.

a. Related party name and category

Related Party Name	Related Party Category
TPK Glass Solutions (Xiamen) Inc.	Related party in substance

b. Other receivables (December 31, 2025 and March 31, 2025: None)

Related Party Category/Name	March 31, 2026
Related party in substance	$ 174

c. Other revenue (for the three months ended March 31, 2025: None)

	For the Three Months Ended March 31	
Related Party Category/Name	2026	2025
Related party in substance	$ 172	$ -

d. Remuneration of key management personnel

	For the Three Months Ended March 31	
	2026	2025
Short-term benefit	$ 11,454	$ 10,197
Post-employment benefit	108	54
Share-based payments	2,165	6,750
	$ 13,727	$ 17,001

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

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of March 31, 2026 were as follows:

Significant unrecognized commitments

The Group entered into long-term raw material purchase agreements with several suppliers and paid related performance deposits. The agreements also stipulate minimum annual purchase commitments. As of March 31, 2026, the Group had no circumstances requiring the recognition of a provision arising from such long-term raw material purchase agreements with suppliers.

To mitigate the impact of such commitments, the Group entered into product supply agreements with several customers, under which the Group reserves specific production capacity for those customers and receives related performance deposits.

32. SIGNIFICANT FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

March 31, 2026

	Foreign Currency	Exchange Rate (Note)	Carrying Amount
Assets denominated in foreign currencies			
Monetary items			
USD	$ 211,925	31.995 (USD:NTD)	$ 6,780,540
Liabilities denominated in foreign currencies			
Monetary items			
USD	56,016	31.995 (USD:NTD)	$ 1,792,232
RMB	27,794	4.642 (RMB:NTD)	128,519
			$ 1,920,751

December 31, 2025

	Foreign Currency	Exchange Rate (Note)	Carrying Amount
Assets denominated in foreign currencies			
Monetary items			
USD	$ 218,551	31.430 (USD:NTD)	$ 6,869,058
Liabilities denominated in foreign currencies			
Monetary items			
USD	54,722	31.430 (USD:NTD)	$ 1,719,912
RMB	31,445	4.496 (RMB:NTD)	141,377
			$ 1,861,289

March 31, 2025

	Foreign Currency	Exchange Rate (Note)	Carrying Amount
Assets denominated in foreign currencies			
Monetary items			
Non-monetary items			
USD	$ 414,968	33.205 (USD:NTD)	$ 13,779,012
Liabilities denominated in foreign currencies			
Monetary items			
USD	109,891	33.205 (USD:NTD)	$ 3,648,931
RMB	58,656	4.573 (RMB:NTD)	268,234
			$ 3,917,165

Note: Except as otherwise noted, exchange rate represents the number of NT dollar for which one foreign currency could be exchanged.

For the three months ended March 31, 2026 and 2025, net foreign exchange gains were $100,149 thousand and $147,683 thousand, respectively. It is impractical to disclose net foreign exchange gains by each significant foreign currency due to the variety of foreign currency transactions and functional currencies of the entities in the Group.

33. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

1) Financing provided to others (None)

2) Endorsements/guarantees provided (Table 1)

3) Significant marketable securities held (excluding investments in subsidiaries and associates) (Table 2)

4) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 3)

5) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 4)

6) Intercompany relationships and significant intercompany transactions (Table 5)

b. Information on investees (Table 6)

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net profit and loss for the period, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 7)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (Tables 3, 4 and 5)

   a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year

   b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year

   c) The amount of property transactions and the amount of the resultant gains or losses

   d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes

   e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds

   f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services

34. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and performance assessment is based on the consolidated financial information of the Group. In accordance with IFRS 8 “Operating Segments”, the Group is organized and managed as a single operating segment, and the revenue generated from such operating activities accounts for more than 90% of the Group’s total revenue. Accordingly, no operating segment information is disclosed.

ITH CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 2)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 2)	Actual Amount Borrowed (Note 2)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/ Guarantee Limit (Note 1)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Relationship											
0	ITH Corporation	Ili Technology Corp.	Subsidiary	$ 10,181,141	$ 191,970 (US$ 6,000 thousand)	$ 191,970 (US$ 6,000 thousand)	$ 122,869 (US$ 3,840 thousand)	$ -	0.94	$ 10,181,141	Y	-	-	-

Note 1: The maximum amount of endorsements/guarantees provided by the Company to any single entity and in aggregate for companies in which the Company directly or indirectly holds 100% of the voting shares shall not exceed 50% of the Company’s net worth for the current period. The maximum amount of endorsements/guarantees provided by the Company to any single entity shall not exceed 10% of the Company’s net worth as stated in the latest financial statements. The aggregate amount of endorsements/guarantees provided by the Company shall not exceed 50% of the Company’s net worth as stated in the latest financial statements.

Note 2: Foreign currency amounts are translated at the closing exchange rate as of March 31, 2026.

ITH CORPORATION AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2026				Note
				Number of Shares	Carrying Amount (Note)	Percentage of Ownership	Fair Value	
ITH Corporation	Walden Technology Ventures IV, L.P. (Limited Partnership)	-	Financial assets at fair value through other comprehensive income - non-current	-	$ 103,256 (US$ 3,227 thousand)	-	$ 103,256 (US$ 3,227 thousand)	-
	Walden Technology Ventures IV, L.P. (Limited Partnership)	-	Financial assets at fair value through profit or loss - non-current	-	77,557 (US$ 2,424 thousand)	-	77,557 (US$ 2,424 thousand)	-

Note: In accordance with the Q&A issued by the Securities and Futures Bureau of the Financial Supervisory Commission, the Group classified limited partnership investments acquired on or after July 1, 2023 as financial assets at fair value through profit or loss in accordance with the accounting treatment prescribed in the IFRS Q&A issued by the Accounting Research and Development Foundation.

ITH CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer/Seller	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note (Note 1)
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Ili Technology Corp.	Hefei Howdi Microelectronics Co., Ltd	Subsidiary	Purchase	$ 160,156	7.01	Monthly settlement, net 30 days	$ -	-	$ (89,437)	(9.22)	-
Hefei Howdi Microelectronics Co., Ltd	Ili Technology Corp.	Parent company	Sale	(160,156)	(4.09)	Monthly settlement, net 30 days	-	-	89,437	3.15	-

Note 1: All the transactions were written off when preparing the consolidated financial statements.

Note 2: The sales prices and payment terms of intercompany sales and purchases were not significantly different from those transactions with third parties.

ITH CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2026
(In Thousands of New Taiwan Dollars or Foreign Currency, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance (Note 2)		Turnover Rate	Overdue		Amounts Received in Subsequent Period (Note 1)	Allowance for Impairment Loss
						Amount	Actions Taken		
Howdi Microelectronics (Sz) Ltd.	Ili Technology Corp.	Parent company	Trade receivables	$ 128,520	3.68	$ -	-	$ 57,963	$ -

Note 1: The subsequent period will be on May 5, 2026.

Note 2: No impairment loss was required to be recognized after assessment.

Note 3: The foreign currency amount(s) were translated using spot exchange rate as of March 31, 2026.

Note 4: All the transactions were written off when preparing the consolidated financial statements.

ITH CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Company Name	Counterparty	Relationship (Note 2)	Transactions Details			% of Total Sales or Assets (Note 3)
				Financial Statement Accounts	Amount (Note 4)	Payment Terms (Note 5)	
1	Howdi Microelectronics (Sz) Ltd.	Granda Microelectronics (Xiamen) Ltd.	c	Other payables - related parties	$ 2,099	Monthly settlement, net 60 days	0.01
		Granda Microelectronics (Xiamen) Ltd.	c	Service expenses	4,314	Negotiated prices	0.11
2	Ili Technology Corp.	Howdi Microelectronics (Sz) Ltd.	c	Other payables - related parties	128,520	Monthly settlement, net 90 days	0.50
		Howdi Microelectronics (Sz) Ltd.	c	Service expenses	124,148	Negotiated prices	3.17
		Hefei Howdi Microelectronics Co., Ltd	c	Trade payables - related parties	89,437	Monthly settlement, net 30 days	0.35
		Hefei Howdi Microelectronics Co., Ltd	c	Purchase	160,156	Monthly settlement, net 30 days	4.09

Note 1: The information about the transactions between the Company and the subsidiaries is marked in the note column as follows:

a. The Company: 0.
b. The subsidiaries were marked in numerical order from 1.

Note 2: Investment types are as follows:

a. The Company to the subsidiaries.
b. The subsidiaries to the Company.
c. Between the subsidiaries.

Note 3: The ratio of transaction amounts to total sales revenue or assets is calculated as follows: (1) asset or liability: The ratio was calculated based on the ending balance over the total consolidated assets; (2) income or loss: The ratio was calculated based on the ending balance of the accumulated amounts over the total consolidated sales revenue.

Note 4: All the transactions were written off when preparing the consolidated financial statements.

Note 5: The transaction prices are mutually agreed upon, and the terms of receipt and payment are the same as ordinary transactions.

ITH CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars or Foreign Currency, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount (Note 2)		As of March 31, 2025 (Note 3)			Net Income (Loss) of the Investee (Note 4)	Share of Profits (Loss) (Note 4)	Note
				March 31, 2026	December 31, 2025	Number of Shares	%	Carrying Amount			
ITH Corporation	Ili Technology Corp.	Taiwan	Research, design, development and sales of driver ICs	$ 476,931	$ 476,931	33,617,000	100	$ 19,237,213	$ 293,341	$ 293,853	-
Ili Technology Corp.	ILITEK Holding Inc.	British Virgin Islands	General investment activities	399,927	399,927	13,0505	100	1,112,143	(12,815)	(12,815)	-

Note: For information on investee companies in mainland China, refer to Table 7.

ITH CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars or Foreign Currency, Unless Stated Otherwise)

1. Information on investments in mainland China

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2026	Remittance of Funds (Note 1)		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2026 (Note 3)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of March 31, 2026 (Note 2)	Accumulated Repatriation of Investment Income as of March 31, 2025	Note
					Outflow	Inflow							
Granda Microelectronics (Xiamen) Ltd.	Research, design, development and sales of display-related analog integrated circuit products	$ 176,850	a	$ -	$ -	$ -	$ -	$ (557)	100	$ (557)	$ 129,832	$ -	
Howdi Microelectronics (Sz) Ltd.	Sales of electronic products and related technical consulting and after-sales services	486,262	b	398,475	-	-	398,475	(16,025)	100	(16,025)	1,392,924	-	
Hefei Howdi Microelectronics Co., Ltd	Research, design, development and sales of display-related analog integrated circuit products	309,962	c	-	-	-	-	(23,381)	100	(23,381)	172,689	-	

Accumulated Outward Remittance for Investments in Mainland China as of March 31, 2026 (Note 3)	Investment Amount Authorized by the Investment Commission, MOEA (Note 3)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA (Note 4)
$-	$-	$-

Note 1: Investment methods are classified into the following three categories as follows:

a. Direct investment in China.
b. Reinvestment through investment in a third-region company (ILITEK Holding Inc.).
c. Other methods (direct investment by Howdi Microelectronics (SZ) Ltd.).

Note 2: The statement of profit or loss has been audited by an independent certified public accountant of the parent company in Taiwan.

Note 3: Amounts in the table shall be listed in NTD. Foreign currency shall be exchanged to NTD with the exchange rate at the date of the report.

Note 4: In accordance with the regulation of the Investment Commission, MOEA, accumulated investment in mainland China is limited to 60% of net worth or consolidated net worth, whichever is greater.

2. Major transactions with investees in mainland China through a third region: Please refer to “Information on major transactions” and “The business relationship between the parent and the subsidiaries and significant transactions between them” for information on direct or indirect major transactions with investees in mainland China for the three months ended March 31, 2026.